



Daily Report

Latin America

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Cuba

NOTIMEX reports government and opposition spokesmen have denied "reports of alleged mobilizations against the regime of President Fidel Castro that have reportedly generated an unusual military deployment in Cuba." A government spokesman said "there have been demonstrations in Havana, but these are demonstrations of the festivities." Also denied was the "alleged arrest of Carlos Aldana, one of the leading members of the Communist Party of Cuba Politburo." In Havana, NOTIMEX "did not see any antigovernment marches, and there were no tanks in the capital or airplanes flying over the city."

Colombia

Santa Fe de Bogota TV reports that President Gaviria has dismissed Deputy Justice Minister Eduardo Mendoza. Mendoza was the "person in charge of security at La Catedral Prison" and the first civilian to "leave the government after the dismissal of four high ranking military officers" following the escape of Escobar from Envigado prison. In remarks carried on television, Mendoza said he "fully understands the decision adopted by the government."

According to Santa Fe de Bogota radio, Air Force Commander Forero Quinonez reported that the "overflight of U.S. military planes was authorized." The flights, "under strict Air Force control," were to gather information for the struggle against drug trafficking and "in no way violate national sovereignty."

Nicaragua

Managua radio carries live a statement by students from the "University Community Movement" who occupied the radio station and interrupted its broadcast. The statement said the government "is solely responsible for the current crisis of the universities, because it refused to grant them 6 percent of the regular and extraordinary revenues, as mandated by the law on university autonomy" and has "unleashed a treacherous and slanderous campaign to distort the university reality." Therefore, "the crisis forces us to intensify our civil protests until we achieve serious negotiation with the government and settle our problems." ACAN reports the students left after four hours of occupation and announced "several students will begin a hunger strike this week to convince the government authorities to accept their requests."

Brazil

O ESTADO DE SAO PAULO carries the highlights of former presidential secretary Claudio Vieira's statement to the Congressional Investigating Committee (CPI). Vieira said he brought the committee "the tangible evidence that the president's personal expenses, the expenses of his house and his family, are paid with his own funds, which are still under my responsibility." The former presidential secretary mentioned the \$20 million line of credit granted to Collor from a bank in Uruguay in 1989 and an investment in gold with a Brazilian investor, "who worked at the Stock Exchange under contract." The loan and the investment were used as funds for Collor's campaign for Presidency: "The entire operation was performed in keeping with the laws. I have no doubts as to the legality of the operation."

According to a FOLHA DE SAO PAULO poll, 54 percent of voters in 12 state capitals feel that Collor "should leave the Presidency." The poll revealed that 38 percent of the voters want Collor to resign, while 16 percent want him "temporarily out of the Presidency while the charges against (PC) [Farias] are investigated."

West India Committee on Caricom, EC Market

FL2807221692 Bridgetown CANA in English
2022 GMT 28 Jul 92

[Text] London, July 28, CANA—The London-based West India Committee, which pursues trading interests of the Caribbean, on Tuesday [28 July] heard its chairman call for a revitalised Caribbean Community (Caricom) and warn of testing forthcoming negotiations on bananas and sugar, two of the region's principal commodity exports. Chairman David Tate also expressed support for proposals by the West Indian Commission, which sought ideas on regional integration from Caricom residents between 1990 and this year.

The commission had called for speedier implementation of decisions taken by Caricom heads of government via increased financing for the regional secretariat and establishment of a commission within the secretariat, empowered to make recommendations for approval and implement policies agreed on.

"When Caribbean heads of government meet in October, we believe that they must not only agree to these key proposals (of the West Indian Commission), but must deliberately and publicly identify the exact steps necessary to ensure that their governments take all necessary actions within an agreed timeframe to implement the proposals.

"Any further delay in revitalising Caricom is likely to result in the total erosion of what little confidence this regional institution still has," said Tate, who is corporate affairs director of Tate & Lyle PLC, the British sugar multinational. He contended that the completion of the single European market by January 1, 1993, would present the Caribbean with its single biggest test since independence.

Tate suggested that the test case of Europe's intentions towards the Caribbean would be in finding a post '92 regime for bananas that afforded a degree of long term stability to the region's banana-producing nations.

"If the EC (European Community) and its member states, and especially Britain and France, cannot achieve a satisfactory solution that provides long-term access for

agreed quantities of Caribbean fruit, then it is clear that the ability of the Caribbean (and most probably the ACP (African, Caribbean, and Pacific grouping) to maintain other preferential arrangements look bleak," the committee's chairman remarked.

Tate told the committee's annual general meeting the final test will come in Autumn when the EC's council of ministers meet to decide which of the proposals put forward by the commission on bananas they would accept.

He added: "Because of the weighted voting system within the EC, it appears increasingly likely that the ultimate decision will lie with countries with which the Caribbean has no traditional relationship.

"If the council of ministers is not able to make a decision, the status quo will be undefendable, as the absence of border posts in the single European market will lead to the dumping of dollar bananas (from competing Latin American countries) in previously managed markets."

The committee chairman said the banana issue indicated that traditional partnerships in the 'new Europe' were of little value unless Caribbean governments managed their diplomatic and political relations "in such a way that they have coverage of all European capitals." Tate said the next 18 months to two years would see considerable EC activity which would impact on the Caribbean sugar industries and on national economies.

"Before the end of this year the EC will be reviewing its arrangements for the supply of raw sugar to the EC refining industry. This could provide additional access for Caribbean sugar to the EC market although the volume and price will be the subject of intense ongoing negotiations," the chairman added.

Tate said the Caribbean Council for Europe, formed last month and involving the West India Committee, the Caribbean Association of Industry and Commerce (CAIC), and the Private Sector Organisation of Jamaica (PSOJ), looked forward to the 'difficult discussions' about the Caribbean's future relationships with Europe in the coming months. Tate is also chairman of the Caribbean Council for Europe.

*** Colombian-Venezuelan Financial Ties Increasing**

92SM0514A Santa Fe de Bogota SEMANA in Spanish
7 Jul 92 pp 46-48

[Text] The major Venezuelan daily newspapers last week published two-page advertisements that announced "Venezuela and Colombia United by El Latino." They spoke of a vast financial network between the two countries created by the interconnection of 400 offices of Venezuela's Banco Latino, Banco de Maracaibo, Banco de Occidente, and Banco Barinas and Colombia's Banco Comercial Antioqueno [Bancoquia]. It is a new step in binational integration that will be supplemented in October 1992 by the opening of a branch of the Banco Latino of Caracas in Santa Fe de Bogota and, shortly, the possibility will arise of the entry of the Banco Union of Venezuela.

New developments confirm that the process of commercial and financial union between neighbors, instead of being halted by the two nations' cyclical economic problems, is growing rapidly. In addition to the continuing and well-publicized stories about bank investments between the two countries and of the natural border integration between North Santander and Tachira, Colombian diplomats in Venezuela have just announced that 60 Colombian businesses have offices today in Caracas, Maracay, San Cristobal, Maracaibo, and Valencia. Two years ago there were not more than 10 of these businesses.

Petroquimica Trasdina will begin operating a plant, belonging to Petroquimica of Colombia, in Venezuela in 1995. The modern plant will have capacity to produce 120,000 tons of PVC resins. This company, property of the industrialist Jimmy Mayer, is also the owner of Quimicas Poliven, which acquired the assets of B.F. Goodrich Chemical of Venezuela. More facts show that the process is irreversible, and that will be confirmed next week in the Colombian capital with a new meeting of the G-3. At least three business delegations (clothing manufacturing, food industry, and leather) will visit Venezuela during the next two months, while a financial meeting, in which representatives of the Colombian financial sector will reinforce their interest in integration, will take place a week from now.

"The only things needed for everything to be perfect are more information about markets and consumers, harmonization of economic policies, and emphasis on finishing the job rather than moving on to new things," claimed Freddy Rojas Parra, president of Fedecameras [Venezuelan Federation of Associations and Chambers of Commerce and Industry], the Venezuelan business association similar to Colombia's ANDI [National Association of Industrialists]. With practical problems to resolve on both sides, matters are certainly going much better than expected and at a speed that surprises everyone. For example, this week's advertisements about the network of services between the banks of the Latino Financial Group and Bancoquia is very important for the Colombian community in Venezuela, which numbers more than a million. In the future, they will be able to make

direct transfers of remittances to Colombia and letter agreements and cash checks from the Banco Latino at the Banco Comercial Antioqueno.

Colombians will be able to go to any of the 230 offices of the Latino, Occidente, Maracaibo, and Barinas banks in Venezuela to send their remittances to any of the 156 offices of the Bancoquia in 38 Colombian cities. Implicit in the accord is an agreed upon exchange rate to be used for the conversion of pesos. The sender and the recipient will know the amount of the transaction in advance, thus eliminating the uncertainty of exchange. An agreement that is similar, but of a lesser magnitude, was reached a few weeks ago by the Banco de Bogota and Venezuela Provincial through privileged correspondence transactions.

But the network established last week includes the Latino, second among 42 commercial banks in Venezuela and property of the largest specialized financial group in the neighboring country. The new correspondence agreement means the utilization of the networks of the five banks involved in foreign commercial operations, especially in the business sector. The Latino bank was much talked about in Colombia more than a year ago when it entered into the privatization process for government-owned banks and placed third in the auction held for the sale of the Banco Tequendama. The Banco Construcion, which later obtained 20 percent of the shares of the Banco Ganadero, won out on that occasion.

The Latino Group then decided to request authorization to create the Banco Latino of Colombia, and in October 1992 it will become the country's first new bank in many years. It held its first meeting of the board of directors a week ago. The meeting was presided over by Vicente Davila Suarez, who designated Alfredo Quintero as executive president. Quintero worked in Colombia for many years with the Security Bank and at present is president of the Banco Cafetero Miami. The Latino's new subsidiary will specialize in corporate operations (primarily services to firms engaging in bilateral foreign commerce). It will be capitalized initially at \$20 million and will make use of the Latino's "cash check," used by a selected clientele and payable immediately in Colombian pesos (up to 200,000 pesos each check) upon presentation, without telephonic or any other kind of confirmation.

The Grupo Financiero Latino, created in 1950, whose principal share holder is financier Pedro Tinoco, took the Banco Latino (headed by Antonio Ugueto) from fifth to second place among commercial banks in the past three years. It accounts for 11 percent of all deposits in the commercial bank sector and has formed associations and acquisitions with such banks as the Maracaibo, the Barinas, and the Occidente. The conglomerate is associated with the Banco Hipotecario de Occidente, similar to a savings and loan in Colombia, with assets of 100 billion Colombian pesos, and is headed by Gustavo Gomez Lopez, also executive vice president of Banco Latino. The Sociedad Financiera Latino (a financial corporation), the Sociedad de Arrendamiento Financiero (leasing), and the Banco Hipotecario of Zulia also

belong to the Grupo Latino. All together, they take in more than 1.5 billion Colombian pesos a year.

The group is made up of more than 20 firms, one of them an off-shore bank in Curacao and another in Miami. It has a financial company in Basel [Switzerland], and it operates in Europe through agreements with the NMB Bank of the Netherlands. Through Latimer, which provides worldwide services of intermediation, it is part owner of one of the most important private multinationals in Norway, Elken A/S, the largest producer of iron alloys in the world. In conformation, the organization in Colombia most like the Grupo Latino is the Luis Carlos Sarmiento Angulo Organization, because the group also includes insurance companies, investment firms, mutual funds, computer companies, a brokerage, and even a banana company (Frutera del Lago) through the owners of Latino.

But since financial integration cannot be a one-way street, the Banco Ganadero and the Banco de Bogota will soon be in Caracas and have already obtained the respective authorizations. A short while ago, the Venezuelan government dropped a rule that allowed only one bank in Venezuela for each Latin American country. Thus, Banco Tequendama, which had two offices there, for a long time held a privileged position. Matters between Colombians and Venezuelans are moving so rapidly that a committee is already writing guidelines for the coordination of macroeconomic policies between the two countries. "The concept is that, with the integration of markets, what one government may decide should not damage the other, and we are going to regulate this soon," Venezuela's Finance Minister Pedro Rosas Bravo assured SEMANA. As they say, actions speak louder than words.

Cuba

Reports of Anti-Government 'Mobilizations' Denied

PA2907030192 Mexico City NOTIMEX in Spanish
0243 GMT 29 Jul 92

[Text] Havana, 28 Jul (NOTIMEX)—On 28 July, spokesmen for the government and the opposition denied reports of alleged mobilizations against the regime of President Fidel Castro that have reportedly generated an unusual military deployment in Cuba.

Radio broadcasts in Miami, Florida, said that in Havana, there were protests against the government, military planes and tanks were patrolling the city, and that some Cuban leaders had been arrested.

A government spokesman said that "there have been demonstrations in Havana, but there are demonstrations of the festivities" because thousands of Cubans are spending summer vacations at the seawall where mobile discotheques have been set up.

This past weekend, the Cubans also celebrated with demonstrations of support for the government the 39th anniversary of the assault on Moncada Barracks that marked in 1953 the beginning of the revolution that took Fidel Castro to power.

Opposition leader Lizardo Sanchez, president of the Cuban Commission for Human Rights and Reconciliation, told NOTIMEX there is nothing to indicate demonstrations have been carried out against the government in recent days. The organization led by Sanchez is one of the two most important human rights committees operating inside Cuba.

During a tour through Havana this afternoon, NOTIMEX did not see any antigovernment marches, and there were no tanks in the capital or airplanes flying over the city.

A government official also denied the alleged arrest of Carlos Aldana, one of the leading members of the Communist Party of Cuba Politburo, which rules the island. Aldana is considered one of the most important men in President Castro's administration.

Haiti

Bernadin Creates Pro-Aristide Political Party

FL2807150692 Port-au-Prince Radio Tropic FM
in French 1230 GMT 28 Jul 92

[Text] A new political party supporting Father Aristide has been created. Renaud Bernadin, former minister of planning and external cooperation under Aristide's presidency, has announced the creation of a new political party favorable to President Jean-Bertrand Aristide. Bernadin explains in a press release that this new alternative party is called in Creole, Pati Louvri Barye [Open the Gate Party]. The purpose of this new party is to

change life and government and to work toward both the resumption of the democratic process and the return of President Aristide to his country and his post.

Belizaire on Bazin Government, Constitution

FL2807193592 Port-au-Prince Radio Tropic FM
in Creole 1200 GMT 28 Jul 92

[Interview with Senate President Dejean Belizaire by unidentified reporter; place and date not given—passages within quotations in French]

[Excerpts] Dejean Belizaire, the president of the Senate, revealed in a statement to the press on 27 July that the Constitution cannot be applied properly because according to him there are articles that have been set aside. It is actually a way to allow the new Marc Bazin government to fulfill its mission. [passage omitted]

[Begin recording] [Reporter] Senator Belizaire, you started to give an answer to Sen. Jean-Louis concerning...[changes thought] In your opinion, as president of the Senate and president of the National Assembly in the country, what regime are we experiencing?

[Belizaire] [Words indistinct] is defined within the scope of the tripartite agreement which grants the prime minister in the absence of the president of the Republic—as the president is not there—the right to take care of the files, to resume the negotiations, "and to finish with the establishing of democratic institutions, especially the territorial communities and the separation of the Army and the police." So, we think that through this mandate the two branches of the Haitian parliament, that is the Senate of the Republic and the House of Deputies, have defined what regime that the government....

[Reporter, interrupting] Regime of Bazin?

[Belizaire] What?

[Reporter] The regime of Prime Minister Bazin?

[Belizaire] I do not understand what you call....

[Reporter, interrupting] I mean is there a president who is now set aside, which would justify that the prime minister assume the responsibilities of that president?

[Belizaire] No, we have not talked about that. We have not talked about a restrained president. You know that a coup occurred in the country and that we have a consensus government whose mandate is to resume the negotiations. This prime minister also has a mandate to lead the nation. As he has a mandate to lead the country, he is supposed to take all measures jointly with the parliament to lead the nation.

[Reporter] As president of the National Assembly and the Senate, do you think the Constitution is in force in the country?

[Belizaire] The Constitution is in force insofar as it can be in force. [end recording]

Employees Resume Duties at Information Ministry

*FL2807195292 Port-au-Prince Radio Metropole
in French 1600 GMT 28 Jul 92*

[Report by Jean-Max Blanc]

[Excerpts] Work has resumed at the Ministry of Information, Coordination, and Culture. The employees, who were protesting against Information Minister Andre Calixte resumed work on 27 July.

[Begin Blanc recording] The ministry has resumed work as usual. It was an atmosphere different from that of the first two days that all employees returned to their posts on 27 July [sentence as heard]. The opinion of one of the employees is that the movement of the people was influenced by emotion. This employee assumes that these same people will revise their stand. In his opinion, the matter is now closed because calm has returned to the ministry. [passage omitted]

A high-ranking official reminded us of a previous statement by Minister Andre Calixte saying that the minister never intended to dismiss any employee. On the contrary, this problem occurred at the ministry while the minister was studying the possibilities of holding seminars for journalists, technicians, and secretaries in the ministry. The high-ranking official, however, added that the former head of the cabinet was not dishonest and that he did not have any bad intentions. [passage omitted] [end recording]

Ministry: 'No Comment' on Benoit Trip to U.S.

*FL2807210492 Port-au-Prince Radio Metropole
in French 1600 GMT 28 Jul 92*

[Text] The foreign affairs minister of Prime Minister Marc Bazin's government is on an official mission to the

United States. Francois Benoit left Port-au-Prince on 26 July to go to Washington in order to meet with several businessmen.

At the Foreign Affairs Ministry, no comment was made on Minister Francois Benoit's trip. However, an official who requested to remain anonymous explained that this mission must be considered within the framework of steps being taken by the government in order to normalize the situation. Francois Benoit is due to return in Port-au-Prince before the end of the week.

Human Rights Center Rejects Government Invitation

*FL2807211992 Port-au-Prince Radio Metropole
in French 1600 GMT 28 Jul 92*

[Text] The Ecumenical Center for Human Rights refuses to participate on the permanent committee for human rights, which was announced by the consensus government. In a letter to Justice Minister Moise Senatus, the center declines the government's invitation. For Jean-Claude Bajeux this committee's task is too broad to be efficient and refers actually to tasks that are the Justice Ministry's duties. If a state institution, authorized by law, is not able to control the violations of human rights, how will such a committee be able to do so, questions the Ecumenical Center for Human Rights?

It is to be noted that the consensus government announced on 23 July the creation of a permanent committee for human rights which would be charged with controlling the situation of human rights in the country. This committee was reportedly to be composed of members from all sectors of Haitian society.

Nicaragua

Students Occupy Radio Station, Issue Statement

PA2807181192 Managua Radio Nicaragua Network
in Spanish 1637 GMT 28 Jul 92

[Unscheduled statement issued by the "University Community Movement" in Managua; read by unidentified speaker, who begins speaking while the station is broadcasting music—live]

[Text] We call on the high school student community to show support for the University Community Movement, which has occupied the facilities of this station belonging to the Chamorro government. We call on the media, on Channel 2 and the Extravision newscast on Channel 6, because these media belong to the people, not to anyone in particular—not to a president, nor to the presidency minister—because these media were built through the efforts and sacrifice of the people.

We make a brotherly call on all the people to come to support us, because we once again report that the police have already received orders to evict us. Mr. Robleto flatly told us over the telephone that if we do not leave, the riot police will evict us. [four minutes of music are broadcast, uninterrupted]

To the people of Nicaragua and the international community: The university community, in view of the intransigence of the Nicaraguan Government, which refuses to find a peaceful and negotiated solution to the university crisis, clarifies the following:

1. The Government of the Republic of Nicaragua is solely responsible for the current crisis of the universities, because it refused to grant them 6 percent of the regular and extraordinary revenues, as mandated by the law on university autonomy.
2. This attitude is part of the government's neoliberal policy that has immersed the Nicaraguan people in one of the worst economic and social crises in its history.
3. The Nicaraguan Government unleashed a treacherous and slanderous campaign to distort the university reality, even censoring the information issued by the universities instead of negotiating seriously and responsibly to find a just solution to the crisis.
4. The Nicaraguan Government has stressed on numerous occasions the need to respect and ensure respect for a legal state by preventing violent actions. The university community has been demonstrating peacefully and civilly for 22 days, and has been open to negotiation and dialogue. In contrast, the government has stubbornly and demagogically decided to do the opposite, violating the legal state and inciting violence.

Therefore:

1. The worsening of the university crisis is the sole and exclusive responsibility of the Nicaraguan Government,

because social problems are not solved through demagoguery and congratulations.

2. The university community calls on the Nicaraguan people to take action and to show their solidarity for us until a satisfactory response is obtained.

3. We repudiate government censorship on the university community by not allowing the official media to report the truth about the 6 percent. This is irrefutable proof that the government is not right; it is a dangerous precedence that should be changed in order to guarantee genuine freedom of speech.

4. The crisis forces us to intensify our civil protests until we achieve serious negotiation with the government and settle our problems.

5. Finally, we thank various social sectors for the multiple forms of solidarity we have received. We urge them to continue expressing support, especially on 30 July, the great day of solidarity with the university.

[Issued] Managua, 27 July 1992.

We report to the people of Nicaragua that the students and the university community occupied this radio station peacefully. We have at no time used violence, beaten anyone, made threats, or thought about causing a disaster in here. We simply demand that the government listen to us. We simply demand that the government listen to us and sit down with us to negotiate responsibly on the 6 percent problem.

We only need a means to express our view; only a means to allow you to hear the truth, to let you know what is really happening in the universities, because the government is obstinately trying to confuse the people. We have the truth here. It would not be on the streets if we were not facing a specific problem. If we had an adequate budget, we would not be on the streets; but there are indeed problems. There are serious problems. There are many budget problems, because the government refuses to disburse the 38 million cordobas it owes us. It is a simple rule...[break in reception]

Students Surrender Facilities

PA2807234092 Panama City ACAN in Spanish
2216 GMT 28 Jul 92

[Text] Managua, 28 Jul (ACAN-EFE)—Approximately 150 students peacefully left the facilities of Radio Nicaragua—the official state radio station—on 28 July after occupying it for four hours as a measure to exert pressure on the government to turn over 6 percent of the nation's budget to the state-owned universities.

The university students read a communique in which they blamed the government for the crisis, "given its stubbornness concerning the disbursement of six universities' budget for 1992," and they urged the Nicaraguan people to support their demands.

Freddy Lopez, assistant director of the radio station, told ACAN- EFE the students agreed to vacate the facilities "after they were allowed to broadcast their demands."

"No damage was caused and there was no physical or verbal attacks on personnel" working at "the state's official radio station," Lopez added, who convinced the university students to vacate the radio station, located in the southern outskirts of Managua.

The students demanded that Nicaraguan President Violeta de Chamorro's administration deliver 38 million cordobas (\$7.6 million) needed to complete the demanded six percent.

The university students, who staged street demonstrations in Managua three weeks ago, announced "several students will begin a hunger strike this week to convince" the government authorities to accept their requests.

Nicaraguan Presidency Minister Antonio Lacayo said last week the Chamorro administration has granted 117 million cordobas (\$23.4 million), which represents 6.2 percent of the national budget, more than what the students demand.

Classes at the universities have been suspended for three weeks given the students' demonstrations.

Pro-Sandinists Occupy TV Station

*PA2907014292 Panama City ACAN in Spanish
2330 GMT 28 Jul 92*

[Text] Managua, 28 Jul (ACAN-EFE)—On 28 July some 300 pro-Sandinist students occupied facilities of state television Channel 6, while another similar group left "Radio Nicaragua" (the government radio station), demanding the government allot 6 percent of the national budget to the state universities.

The government insists it has granted the educational centers over \$23.4 million, which is equivalent to 6.2 percent of the government's revenue budget.

One of the university leaders explained that these "peaceful actions are part of the propaganda offensive so Nicaraguans will learn the true situation of the universities in light of the government's stubborn attitude."

The students, led by Sandinists, are blaming the government of President Violeta Chamorro for the university crisis resulting from a delay in disbursing 38 million cordobas (\$7.6 million) necessary—according to them—for completing 6 percent of the national budget for the six state universities.

Although the university students are occupying the installations housing the control equipment of Channel 6, they were unable to read a pronouncement because the television transmission was suspended a few minutes after they took over.

A few hours before, dozens of students had entered state-owned "Radio Nicaragua," which later was evacuated in a peaceful manner.

Throughout this week, several students will begin a hunger strike "to develop an awareness" among the government authorities so they will yield to their petitions, according to Sandinist student leaders.

The university students, who have been staging street protests in Managua for the last three weeks, also requested a meeting with President Chamorro "to convince her" to allot the funds demanded by the state universities. The universities have been closed since the protests began.

On 23 July, some 10,000 students staged a march through the main streets and avenues of Managua, which concluded in front of the Presidential Palace. No incidents were reported.

Students Vacate TV Station

*PA2907042692 Managua Radio Catolica in Spanish
0300 GMT 29 Jul 92*

[Text] University students have departed from the Radio Nicaragua and Channel 6 facilities. On 28 July, the university students occupied the facilities of state-owned Radio Nicaragua and the government's Channel 6 television station. They left the premises after broadcasting a message requesting a bigger budget for the universities.

Oswaldo Arroliga, a student of the National Autonomous University, sustained injuries in his hand—it is reported he lost a finger—when he tried to hurl a home-made bomb inside the radio station's courtyard. This information was confirmed by Oswaldo Arroliga's brother.

A group of students seized the Channel 6 television studios on the afternoon of 28 July. Station personnel initially refused to broadcast the university students' message and the station suspended its programming, but the station's authorities later agreed to discuss the message. Before leaving the television station facilities, the students prevented the departure of personnel, including journalists, cameramen, sound technicians, clerks, and janitors.

All we want is the people to see us and realize what we ask the government; we have a right to state our views, stated Margarita Arroliga, who was carrying a videocassette that was supposed to be broadcast by Channel 6. The television station only let the students read a declaration, but it did not broadcast the videocassette. The government had banned the broadcast of the message as a paid ad.

No clashes occurred between the students and the stations' personnel during the takeovers. An unidentified student announced at the radio station that they had seized Radio Nicaragua, the people's radio station, to

ask the government to give the National University Council 6 percent of the nation's budget. This has been a peaceful takeover, he said.

Centrist UNO Deputies Support Sandinist Bloc

*PA2907044092 Managua Radio Corporacion
in Spanish 2200 GMT 28 Jul 92*

[Text] The Sandinist bloc scored a victory by boycotting the 28 July session of the National Assembly in connivance with the executive branch, which has lately been meddling in the affairs of the legislative branch through the participation of the group of centrist deputies of the National Opposition Union [UNO]. That group has joined the Sandinists to form a majority in the Chamber of Deputies.

The 28 July National Assembly session was not held for lack of a quorum. Therefore, the UNO deputies spent their time harshly criticizing the traitors for betraying the Nicaraguan people who voted them into the Chamber of Deputies.

So the Nicaraguan people will know who their enemies are in the National Assembly, we will now read the names of the center deputies: Gustavo Tablada Zelaya, Ivan Salvador Madriz, Alejandro Solorzano Obregon, Andres Robles, Guillermo Chavarria, Alejandro Perez Arevalo, Alvin Guthrie Rivers, and (Adilia Sirias).

Adolfo Jarquin Ortell, UNO deputy for the Social Democratic Party, has these comments for Radio Corporation listeners:

[Begin recording] [Jarquin] This proves what we have charged regarding the executive branch's meddling in the legislative branch's internal affairs.

In addition, I would like to say that what is taking place today clearly proves that there has been such meddling by the executive branch in clear violation of the political constitution of Nicaragua, which establishes the independence of the state branches.

Second, I want to say that today's events prove that the government has really fallen into the Sandinist Front's trap. The Sandinist Front has gone the way of the Fujimori-style coup [Fujimorazo] and the common coup d'etat, and even the government is playing along. They need to control the legislative branch in order to install a new military dictatorship in Nicaragua, and now the number of deputies in the Sandinist bloc has increased to more than their 39 deputies.

We have only had 44 deputies because one of our deputies is absent. He had credited his substitute, but as a result of a lack of communication, the substitute was unavailable.

Another deputy even sent his substitute. They were deputies from the Atlantic Coast; Alfonso Smith and Daniel (Fay), who is touring the United States.

But what is the problem here? This is a Pyrrhic victory for the Sandinist Front, because there will be national repercussions that will deepen the government's crisis. The government has chosen the antidemocratic path of disregarding the government program and forming an alliance with the Sandinist Front. It has decided to be a continuation of the previous government, which was defeated in past elections when the Nicaraguan people massively voted for a change. That change is definitely not taking place. The government has even closed the doors on the in-depth democratization of the state structures and the establishment of the de jure state.

[Unidentified reporter] [question indistinct]

[Jarquin] I do not think we can speak of centrist deputies any longer. The center never existed, they just tried to create it by selling the idea that it was a new concept of the pendulum policy. The center does not really exist. The Sandinist bloc exists, and the UNO bloc exists. The Sandinist bloc has been reinforced with new members who have gone over to that bloc. We must speak frankly here. That is how things are, because that whole strategy of the center or of the pendulum is in accordance with the control the Lacayo-Ortega alliance—the government alliance with the military—wants to have over the assembly to prepare a Fujimori-style coup [Fujimorazo] here in Nicaragua. [end recording]

Castro 'Visibly Disturbed' by Chamorro Demands

*PA2807160992 Managua Radio Nicaragua Network
in Spanish 1100 GMT 28 Jul 92*

[Text] During her visit to Spain, President Violeta Chamorro asked Cuban President Fidel Castro twice about the Cuban people's need for a democratic process similar to the one that took place in Nicaragua.

Government Minister Alfredo Mendieta Artola, a member of the delegation that accompanied President Chamorro on her tour of Spain, said the Cuban president did not know what to say to Chamorro on the two occasions she expressed her views on the Cuban situation.

[Begin Mendieta recording] At the Spanish pavilion, there was a verbal confrontation between Mr. Castro and some heads of state. As part of the discussion, one of the presidents asked Mr. Castro why he did not become king and appoint a prime minister or permit elections for prime minister. An overwhelmed Castro stated that he did not want to be king, but that he had become a royalist [realista]. Listening to these words, the president stood up and said that she hoped Mr. Castro's words were aimed at benefiting the Cuban people. She added that it is necessary to hold free elections and guarantee freedom of expression and religion to achieve democracy and to enable the Cuban people to participate in the different forums that were being held.

Visibly overwhelmed, Mr. Castro told the president that he did not allow such things, particularly placing the media in private hands. Later, Castro left the pavilion, visibly disturbed.

At a second verbal confrontation that took place at the Alfonso XIII Hotel, where the delegations were staying, Mr. Castro tried to ignore the president. Asking Castro not to misinterpret her words, Chamorro repeated that they were indeed demanding that Cuba hold free elections. Mr. Castro did not know what to say, and for the first time he was silent after the president spoke. [end recording]

* 'Conspiracies' Against Contras Discussed

* Democracy Endangered

92CA0185A Managua LA PRENSA in Spanish
26 Jun 92 p 14

[Commentary by Pablo Antonio Cuadra: "Cut, Cut—Hearts, Hearts"]

[Excerpt] [passage omitted] Just about two years ago, the Christian heart of Dona Violeta—trusting in the Sandinist Army's apparent conversion to a civic-minded spirit—sponsored a very fine patriotic and fraternal ceremony arising from the Esquipulas accords, in which both contras and compas placed their weapons in a bonfire and gave each other the embrace of peace.

We all want to believe in that fraternal peace, but after the weapons were burned we began to see heads of contras falling, little by little, for a variety of reasons, for strange causes, one by one, like the refrain in the Nahua chant used as a signal [for their uprising]: "cut, cut—hearts, hearts."

Yesterday the number of dead contra leaders mounted to nine with the murder of Runner Luna Reyes, alias "Alacran." Enrique Bermudez Varela was the first victim of this new, silent, and implacable slaughter of the "bearers" of peace. They were the comandants or leaders who fought for democracy and then laid down their arms, believing the words of those on the other side.

In the legal formalism that militarism always uses, a simple suspicion that this chain of crimes is following a plan hatched by "the other side" is considered a destabilizing statement. So be it!

We are trying to point out the linkage among these murders because we feel that behind these deaths, Nicaraguan morale is dying, and something even more important than morale—fraternal love—without which our nation will be overrun by jackals.

Instead of Dona Violeta's Revolution of Honesty, they want to institutionalize theft—legalizing the "pinata" [land giveaway]. And, mocking the president's good faith—she has not ceased to destroy arms and to promote reconciliation between those who fought in the

civil war—hidden forces are lurking, acting with impunity. They continue to inscribe an implacable black list of homicides. The only thing that will do is reignite the disastrous civil war, a war whose flames were fanned by the tyrannies of communist militarism.

Democracy is in grave danger when the two most fundamental human rights—the right to property and the right to life—depend on the arbitrary whims of force and not of law, right, and morality.

RIP

Enrique Bermudez Varela, Adan Rugama ("Aureliano"), Diogenes Hernandez ("Fernando"), Israel Galeano ("Franklin"), "Tiro Fijo" ("Franklin's" uncle), "Franklin II," Comandante "Renato," "Cadejo," Runner Luna Reyes ("Alacran"), and the attempted murder of Oscar Sobalvarro ("Ruben"). [passage omitted]

* Mendieta's Denial Praised

92CA0185B Managua EL NUEVO DIARIO in Spanish
26 Jun 92 p 4

[Commentary: "A Timely Denial"]

[Text] The statements by Minister of Government Alfredo Mendieta denying Oscar Sobalvarro's insidious and venomous allegations could not be more necessary and more timely because they have put these charges in their proper place and restored the impartial truth about an issue that has been manhandled and manipulated by LA PRENSA, whose extremist owners and editors are keeping up a virulent revanchist campaign against the EPS [Sandinist People's Army], the police, and the FSLN [Sandinist National Liberation Front].

All the uncertainties shrouding these events have been clearly and maliciously used to fabricate dreadful stories against the armed forces, against Sandinism, and against all those who, according to the rightist desires of some of these people, are seeking reconciliation, coalition building, and political pluralism. These are essential if we are to have an economic surge that will not only benefit the nation as a whole, but also, in a very special way, the farsighted business community. They know quite well that without it, progress is impossible.

Day after day, making great use of front page stories, LA PRENSA has been feverishly weaving tales of a sinister and fantastic framework of Sandinist conspiracies, arms movements, terrorism on the part of the Revolution's security forces, the vulnerability of the poor Resistance leaders who have been decimated by an infernal machine that, according to these people, is capable of the worst monstrosities. This campaign clearly reveals a concealed destructive purpose worked out in concert with the most extremist groups in Washington, which are striving to subject Nicaragua to their hegemonic designs.

So Mendieta's denial is beneficial and informative. With calm and serene authority, without unnecessary rhetoric, he muffled the professionals of lies, the dark agents of

regression and revanchism. Though it will be hard for his words to have much impact on these inveterate slanderers who will certainly continue to rail in vain, the important thing about the minister's statement is that it may help the public to distinguish those who are for democracy from those who, protecting themselves under the shield of this democracy, are fighting to destroy peace.

*** 'Revanchism' Criticized**

92CA0185C Managua EL NUEVO DIARIO in Spanish
26 Jun 92 p 4

[Commentary: "Mendieta Dotted the I's"]

[Text] Still following the line of troublemaking, revanchism, and destabilization that their editors have set down, every day LA PRENSA publishes incorrect and misleading information, like the report about the discovery of caches of Sandinist arms (overlooking those of the other gang) and the fears of former contra leaders like Oscar Sobalvarro, the victim of his own persecution paranoia.

Things have reached such an extremity that the government itself, through Minister of Government Alfredo Mendieta, was obliged to speak out to dot the i's.

Only in the fevered minds of some former contra leaders does this confrontational and destructive zeal persist, not only against the Sandinists, but also against the government, whom they will not forgive for its policy of reconciliation and reaching an understanding with the opposition. It does not matter that the government has actually yielded on many aspects to their demands and to those made by the Yankee far right, because they are working blindly to destroy this country.

If the Sandinists were to pursue the same course, this country would go up in flames and would surely be occupied like Panama. That does not bother them at all. Those who have sold their souls to the devil would actually like such an outcome.

With the exception of the death of Enrique Bermudez, still shrouded in mystery, the deaths of the other well-known leaders of the so-called Resistance have been crimes of passion or were motivated by personal causes.

This has been fully proved by the authorities.

Why go searching for something that does not exist? Such obstinacy will only lead to our nation's destruction and indescribable suffering on the part of our humble people.

The editors of that official newspaper should think of this and prepare to support Dona Violeta's national reconciliation policy honestly, without duplicity.

The Sandinist Front has given unmistakable signs of its desire for peace and reconciliation for the sake of the nation's interests. This desire is shared by the majority of our nation's people.

The all-or-nothing policy of the revanchists is antinational. For that reason, it should definitely be rejected.

*** Sandinist Combatants Choose Directorate**

92CA0187C Managua EL NUEVO DIARIO in Spanish
17 Jun 92 p C2

[Text] San Marcos—As a result of its breakup and despite rivalries between Sandinists in this city, the Association of Historic Combatants has elected its own board of directors under the name of the Association of Sandinist Combatants, representing all sectors of the community.

300 Attend

The election was conducted by the some 300 persons who attended the meeting. It was presided over by Mrs. Teodora Somarriba de Rubi, mother of Major Carlos Fonseca, with the legal counsel of Dr. Dinora Parrales.

Board member Marcos Blandon reported that more than two years after the election defeat, "all Sandinists found themselves adrift," as a result of which it was of the greatest urgency to reorganize, but along different lines, meaning that "instead of remaining a bunch of romantics, they would become pragmatists."

Common Need

He added that they began to reorganize two months ago due to common needs, such as the lack of jobs and the urgency of providing a response to all the difficulties suffered by the Historic Combatants, Mothers of Heroes and Martyrs, and those who have retired from the Ministry of Government (Mingo) and the Army.

"We intend to work for the well-being of the people, while always seeking a share of power within the party. New elections are on the horizon, and we must therefore unite and grow stronger," Blandon said.

Support for Cooperatives

For his part, Andres Lara said that the purpose behind the formation of this new organization based on previously formulated guidelines is to support the cooperative movement in terms of land and, basically, to fight for projects of the Organization of Rehabilitated Revolutionaries (ORD).

Another problem to which the recently elected leaders will try to provide a response is that of the war orphans and former retired persons from Mingo and the EPS [Sandinist People's Army], who want their organization to fight to solve their problems, while acting as an incentive to the people to participate and resolve their own social problems.

Board Members

The following were elected to the board: Andres Lara, president; Rafael Calderon, Marcos Blandon, Augusto Useda, Marcos Valladares, Freddy Carvajal, and Ronald Bodan.

After the new board was sworn in by Teodora Somarriba de Rubi, one of the Heroes and Martyrs mothers pledged to work for the common good of the party and thanked all members of the new organization for allowing them to participate in the election of the new officers.

*** Former Resistance Members Join Police**

92CA0187B Managua EL NUEVO DIARIO in Spanish 28 Jun 92 p 7

[Article by Edgard Barberena S.]

[Excerpts] A number of former members of the Nicaraguan Resistance have been incorporated into units of the National Police and Special Disarmament Brigade (BED) as a result of a decision made by President Violeta Chamorro in an effort to remove the partisan, politicized nature attributed to that government institution.

Mendieta Confirms

The incorporation of "former contras" into the ranks of the Police and the brigade entrusted with the task of disarming civilians throughout the country was confirmed by Minister of Government Alfredo Mendieta when he met with the Legislative Assembly's Committee for Defense and Government.

As a result of the president's decision, the future admissions to the Police will come about through public convocations and a thorough scrutiny of applications, a process Mendieta described as a democratization of Mingo [Ministry of Government] structures.

Police Academy

He also confirmed that the government had made another highly important decision to set up a National Police Academy under the Ministry of Government. The Inter-American Institute of Human Rights has already been contacted as part of an effort to incorporate into the Academy's program of study all concepts relating to human, civil, and political rights.

As a result of the policy of "professionalizing" police ranks, the minister of government emphasized that during the 1991-92 academic year, the National Police admitted 38 law school graduates. In addition, several members of the ministry's operations agency received scholarships for postgraduate study in various civilian disciplines.

Limitations

Mendieta also referred to limitations placed on the Police in conducting investigations, as a result of which

the Ministry of Government plans to seek additional outside resources to meet the country's current needs.

The Ministry of Government is therefore maintaining its relations with the United Nations and UNDP [UN Development Program]. A cooperation agreement has just been signed with the Spanish Government by the head of the Cabinet, Antonio Lacayo. Early in July, Lacayo will send a government delegation to finalize arrangements for assistance that Spain will extend to the Police. All Mingo directorates will benefit from the agreements with Spain. Mendieta will travel to Madrid next month to put the finishing touches on the agreements.

Cooperation

The minister noted that part of the Spanish technical assistance to the Police will be in the form of helmets, belts, uniforms, individual weapons (pistols and revolvers), training, and support for the National Police Academy, and "we are now implementing other measures at the project level." [passage omitted]

Police Forces

The head of the Ministry of Government confirmed that at the present time, Police forces total about 6,600 men, "a number that, based on the size of the population, is extremely low. Compared with other Latin American institutions, the ratio exceeds 3 to 1."

Departmentalization

At the meeting, Mendieta also confirmed the departmentalization to which the Ministry of Government will be subjected starting on 1 August of this year, a move that will cost \$30 million to \$40 million (150 million to 200 million cordobas).

Although the minister did not spell out precisely what such departmentalization would mean, he did say that 80 percent of the vehicle pool of the ministry and its agencies is out of service, which places definite limitations on the ministry's and, particularly, the National Police's ability to respond.

Team

The Ministry of Government has set up a central working team whose specific and most important task is to draft a program. The team has already put together a preliminary plan that is now under discussion.

Subcommittees from the National Police, Migration and Alien Affairs, the National Penitentiary System, firemen, administration, and personnel and officials from the Civil Government Program have submitted concrete proposals on the internal reorganization.

Mendieta revealed that the basic principles underlying the reorganization of Mingo and its structures will be the duties and powers of that ministry as an organ of the executive branch in the tasks of governing the country's territory.

They also include the duties and powers of civilian delegations of the Ministry of Government and of those responsible for internal order. Other elements that he mentioned include the subordination of police agencies to the civil government, institutionality and professionalism, and the civil nature of the institution, organization, and structure of the ministry.

Mingo Pay

Concerning the pay of agencies under Mingo, the minister said "it is an extremely alarming situation that could foreseeably constitute an element contributing to a decline in our ministry personnel.

"Nevertheless, we have been making efforts and have presented special requirements to the Ministry of Finance in order to meet those precise needs from July to December. We believe that if it were not for the high morale characteristic of the National Police, its officials, and the integrating effort made by civilians like ourselves who feel a responsibility to the institution, we would already be bemoaning acts of corruption," he said.

*** Government Involvement in Property Issue Viewed**

92CA0186C Managua LA PRENSA in Spanish
22 Jun 92 p 14

[Commentary by Oscar Herdocia Lacayo]

[Text] As an attorney, a legal scholar, and a citizen, I cannot wait any longer before expressing my opinion on an event that could eventually do terrible damage, not just to the government, but to the entire Nicaraguan nation.

Following the guidelines of the protocol for the transfer of power, the government issued Decrees 35-91 and 36-91, which had to do with property. One of the consequences of these decrees is that the people (the pinata beneficiaries) who had obtained property before 25 February 1990 under Sandinist Decrees 85 and 86 were allowed to keep it. The government was thus fulfilling the pledges that it had made to Sandinism in these protocols.

This was an unfortunate step, because under a political pact, it was handing over not only government assets but also many that legitimately belong to private citizens. The government exceeded its powers, violated the property rights of many citizens, and ignored its own program.

The issue is quite clear. In law, as in any other area of human endeavor, the fundamental rule of logic applies. No one can give what he does not have!

The State, like the government that represents it, cannot avail itself of others' property.

Nor can the government avail itself of State property unless it is legitimately authorized to do so. This democratic principle is contained in the present constitution, in our law, and in the law of civilized countries. No

official has more power than the law expressly grants him! The opposite would be an abuse of power.

Property rights are among the human rights enshrined in the San Jose Pact and other international agreements and declarations (The very constitution that is in force in our country includes them in Article 46).

Human rights are supranational, belonging to man by his very nature, even before the State was formed. Therefore, among constitutional rights, they are paramount. They enjoy a higher legal standing and, consequently, come before any other provision, whether in the Constitution or not, that might run counter to them. They unquestionably constitute one of the limits to the power of the State.

The government, as the representative of the State, must enforce them and, with even better reason, honor and respect them fully.

Decrees 85 and 86, which the previous government issued in a bid to enrich its party and its partisans during the final looting before turning over the main posts in the executive branch, were and are violations of justice, honesty, decency, ethics, and law. They are so dangerous, that keeping them as part of Nicaragua's legal system can only lead to turmoil and compound the injustices that already exist in the country.

In an effort to placate Nicaragua's power brokers, who are threatening a social explosion, the new government is trying to fulfill its commitment, which is obviously illegitimate and devoid of any legal merit as embodied in the protocols (political pacts the entire content of which we Nicaraguans are still unaware).

These decrees created the Office of Land Use (OOT) and gave it powers (which the executive branch itself does not have) to judge whether the "pinata" decrees have been duly implemented and, accordingly, if they have been, to award title deeds to the people who have benefited from the office's rulings.

In other words, the government is endeavoring to make decisions about your and my property (this is exclusively the function of the judiciary) and to award ownership of assets that do not even belong to the State to certain citizens, the beneficiaries of the pinata.

The issuance of these decrees and the creation of the Office of Land Use were regrettable actions by the government and have landed it in a predicament that will only worsen as the office continues its work, employing powers that the government was not authorized to grant it. This is so because the OOT is an administrative office, and its decisions cannot go beyond its sphere. Consequently, they have no effect whatsoever in the legal arena, where issues of property rights are settled.

The actions of the office are a sort of siren's song. Although they will not create property rights for beneficiaries, they are going to create expectations in them, as

a result of which they will become socially disruptive because they will believe that they possess a right that they do not.

To avail oneself of another's property is unlawful. Therefore, the apparent beneficiaries and the officials who may try to convey to beneficiaries property that belongs to others will find themselves on shaky ground when the real owners exercise their inalienable right to claim the property confiscated from them and when the judiciary quite correctly acknowledges that right.

It is preposterous for the government that represents the State not to use the legitimate method (purchase or expropriation) of acquiring the property that it seeks to distribute among the real or purported underprivileged and to pay the legitimate owners what that property is worth. Instead, in a bid to distribute others' property, it defies the channels of the legal system and oversteps the bounds of State power.

The government is obviously not obliged to fulfill a commitment that it was never in a position to make, that is not legally binding on it, and that is merely indicative of the sort of blackmail to which it was subjected at the outset of its term. It has only one legally acceptable recourse. That is to revoke the aforementioned decrees, to acknowledge that the effects thereof cannot encroach on property rights, and to use the information that the OOT has accumulated to outline a social, urban, and rural reform firmly based on State-owned property and property that it acquires legitimately through purchase or expropriation (with just compensation), so that further injustices do not compound those that already exist in our ill-fated homeland.

Nicaragua's future cannot be built on this huge foundation of injustices. It is time that we undo the wrongs that have been done and begin taking the straight and narrow path of justice and law.

* Housing for Recontras, Recompas Discussed

92CA0186J Managua BARRICADA in Spanish
28 Jun 92 p 2

[Article by Pablo Emilio Barreto]

[Text] Several hundred demobilized personnel from the Sandinist People's Army (EPS), the Government Ministry (Mingob), and the Nicaraguan Resistance (RN) thought that the Villa Reconciliation housing project was going to contain 2,300 units, but....

The Construction and Transportation Ministry (MCT) made it clear that the idea was to divide the land into 2,300 lots so that each of the beneficiaries could build his own home.

Each lot will be 10 by 30 varas [1 vara equals 0.836 meter]. The lots are being developed over an area covering 188 manzanas of land between the Waspan district,

Fanatex [National Textile Factory, Inc.], Villa Revolución, and the avenue by the Wholesale Market.

The MCT reported that the project would cost the government 20 million cordobas, not including what the office of the president paid in compensation to the five cooperatives and private owners whose lands were expropriated.

The minister of the presidency, Antonio Lacayo, told the Managua Municipal Council that the 188 manzanas were "declared subject to public use" and that the government has already proceeded to develop the 2,300 lots for an equal number of families of demobilized EPS, Mingob, and Resistance personnel.

Documents Turned Over

During a ceremony on 14 May, the minister of construction and transportation, Jaime Icalbacceta, handed over documents concerning the lots to Oscar Sobalvarro ("Ruben"), Jorge Canales, and Sergio Ortega on behalf of the discharged and demobilized personnel of the EPS, Mingob, and Nicaraguan Resistance.

The presentation took place at the Housing Bank. It was said on that occasion that the bank and the MCT are responsible for this housing project, which is "part of the commitment that the government made to demobilized personnel in Managua," in the words of Santiago Altamirano, the spokesman for the Construction Ministry.

The meeting reported the first delivery of 491 lots to discharged EPS personnel; 259 to demobilized members of the Resistance, and 77 to former members of Mingob.

Lieutenant Henry Vega Mayorga, the EPS delegate to the project, reported that 1,400 lots at Villa Reconciliation would be turned over to retired EPS personnel, 60 percent of the total.

"Thirty-three percent are for demobilized members of the Resistance, and the rest for former officers in the Government Ministry," Vega said.

He added that "the handing over of some 900 lots is pending. I have 150 pending from the first group, and we are asking them to go to the Office of Retired Officers to pick up the documents awarding them their lands."

The Construction Ministry is employing 130 men and using heavy equipment to develop the lots, specifically the layout of streets, the location of green areas, pre-school, primary and secondary schools, health-care posts and centers, and industrial and commercial areas.

Piping for drinking water and sewage, electric power, and telephone cables will be installed later.

This work is being done by Pedro Hurtado and Daniel Centeno, engineers from the Construction Ministry and from Studies and Designs, respectively. Studies and Designs is the firm that is supervising the project.

Channels Cut Across Lands

The land is located on a plain southeast of the Kativo factory, which has traditionally been a flood area.

The Construction Ministry is deepening two channels running towards the Northern Highway in order to harness the rainwater that runs from south to north across the entire zone.

In spite of these efforts, the demobilized personnel are dissatisfied because they too are working "on tough jobs" in the project, such as deepening one of the channels.

Chiefs Accused

Bayardo de Jesus Garcia Garcia, Freddy Largaespada Rodriguez, and Roberto Emilio Ortiz, who are from the Nicaraguan Resistance, complained that Fausto Amador and someone named Kairo have systematically misinformed them about Villa Reconciliacion.

They also accused Miguel "El Gordo" of having offered them boots, uniforms, and "good pay" for the work that they are currently doing, "but they are never there."

They added that these chiefs offered them completed homes, presumably valued at \$6,000. "But in the end I do not think that they are going to build any homes," Garcia said. BARRICADA sought out Amador to have him explain the charges, but could not find him.

Francisco Robleto, a former EPS lieutenant, charged that they were offered jobs in the housing project, "but the chiefs do not talk straight. They do not come and talk things over with us. They now say that they are going to pay us just 64 cents an hour, which means that we are going to make just five cordobas a day."

"There is a real reconciliation going on among us, because we are united, but at the same time we are being used as stepping stones by the sly chiefs of both bands," said Ramiro Toruno, a former member of the Nicaraguan Resistance.

* National Squatters' Rights Group Formed

92CA01861 Managua BARRICADA in Spanish
25 Jun 92 p 6

[Report by Luis Valverde]

[Text] A National Commission of Spontaneous Settlements, under the direction of a Sandinist deputy and community leader, Domingo Sanchez Salgado, "Chaguitillo," went public yesterday "to make ourselves felt and get our demands met."

Accompanied by six women, who said they were rank-and-file leaders of six squatter settlements, "Chaguitillo" yesterday visited the editorial offices of BARRICADA to publicize the formation of the commission. Its goal is to

pressure the mayor's office into conducting an exhaustive investigation to identify the settlements located in dangerous spots.

Mayor Arnoldo Aleman announced at a press conference last Friday that thousands of inhabitants in 55 of the 182 settlements in the capital would be "relocated" onto lands that cooperatives are occupying in Region III.

On that occasion the community leader said that he agreed with the "relocation" announced by Aleman and advocated a study by the mayor's office to ascertain who the real squatters are.

"Chaguitillo" reaffirmed his position yesterday and argued that a "relocation with alternatives" is preferable to living forever as squatters, without access to basic utilities like water, electricity, and sewers.

He said that the goal is to have the residents of the settlements organize in lawful associations with legal status to demand more forcefully that their grievances be satisfied.

When it achieves this sort of organization, he added, the commission will work to have the settlements in secure areas obtain the status of neighborhoods, with the rights that the Urban Development Law confers.

The commission also will campaign to organize the squatters and demand land in a systematic manner, "because I do not agree with takeovers, since we decided on this in the Sandinist Front," "Chaguitillo" said in conclusion.

* Aleman's Municipal 'Inspectors' Criticized

92CA0186A Managua BARRICADA in Spanish
24 Jun 92 p 15

[Editorial: "Aleman's Police"]

[Text] With the inauguration of Managua's "Municipal Corps of Inspectors," Mayor Arnoldo Aleman is flouting the nation's legal and constitutional order, in addition to establishing a bad precedent that contrasts with the efforts of various social and political groups in the country to achieve social harmony and stability.

While Article 95 of the Political Constitution expressly states that "the law...shall regulate the bases of military organization," the mayor and "his councilmen" did not care one whit for the country's system of laws, knowing that two amparo appeals to declare their actions unconstitutional have been filed.

The fact that, for the time being, the more than 100 "inspectors" are not carrying weapons does not in any way contradict their military status, which was made obvious at the inauguration of the "Corps" by its discipline, bearing, and appearance.

Aleman has created a de facto situation that once again jeopardizes the country's legal and institutional order.

The worst part is that the mayor is doing as he pleases while the highest institutions of government, particularly the Supreme Court and the National Assembly, indulge and tolerate him.

Unless a stop is put to this situation, sooner or later we will wind up mired in another crisis. No one can guarantee that tomorrow the much talked about "Corps of Inspectors" will not become, as is feared, the shock troops of the Somozist liberalism that is associated with the mayor. Consequently, the potential reactions of the citizenry are unpredictable.

The Supreme Court has a major responsibility to safeguard the rights of the citizenry. If it postpones a decision on the amparo appeals or gives a final green light to this militarily trained political force, it too will be jointly to blame for whatever consequences arise from the reemergence of today's "Amrocs" with luxury uniforms.

* CTN Urges Higher Minimum Wage

92CA0186F Managua LA PRENSA in Spanish
24 Jun 92 p 26

[Text] The Nicaraguan Workers Federation (CTN), which has Christian leanings, has called for a new minimum wage for Nicaragua's workers.

During its labor struggle the federation has kept its distance from the progovernment Permanent Congress of Workers (CPT) and the pro-Sandinist National Front of Workers (FNT).

These two organizations are waging a much milder struggle for higher wages, because the government of the Republic is trying to make a success of its stabilization program, which seeks to ward off inflation and create confidence among the countries that want to help rebuild Nicaragua's economy.

To the CTN, however, the workers' situation has become intolerable owing to the current wage level, as a physician at times earns only 800 cordobas (\$160) a month.

Therefore, this federation has officially asked Labor Minister Dr. Francisco Rosales to call a meeting of the National Minimum Wage Commission to address the issue.

In a message from the Executive Committee of the CTN, signed by its assistant secretary general, Agustin Rodriguez, they explain to the labor minister that "even though everyone knows how much the basic needs of workers and their families really cost, there are no signs that the commission will meet, conduct a review, and set a new minimum wage that is more in keeping with the cost of living."

The situation among those who are still lucky enough to have a job has gotten worse, the CTN says.

One of the CTN's main arguments for convening the Minimum Wage Commission to set a new minimum wage is

that the commission's last meeting was 10 months ago, whereas the law says that it must meet every six months to bring the wage in line with the current cost of living.

The CTN and its thousands of members are waiting for the government to respond, Rodriguez told LA PRENSA in conclusion.

* Highway Between Pacific, Bluefields Completed

92CA0186H Managua LA PRENSA in Spanish
25 Jun 92 p 8

[Report by Santiago Altamirano]

[Excerpt] Atlantic Region, Nicaragua—An event this past May was an occasion for great rejoicing among residents of the Atlantic coast and a source of much satisfaction to the government of the Republic. The Ministry of Construction and Transportation inaugurated the first land route between the Pacific and the City of Bluefields.

On the same occasion, Minister Jaime Icalbaceta Mayorga announced that the next highway to be opened in the area will run from the Sumo Indian town of Cukra Rivers to the small fishing village of Monkey Point on the Atlantic.

With the opening of the new road and the announcement of works in progress, it bears remembering that building a kilometer of roadway in the Atlantic zone is not as easy as in the northern area of the country or along the Pacific.

It also bears remembering that the hardest part of these projects in swampy, impenetrable, danger-filled virgin jungle areas (such as the Atlantic coast) is the layout and design work for the initial route of the future roadway.

Salvador Ayestas, an experienced and internationally prestigious consulting engineer who was in charge of laying out and designing the recently opened 95-kilometer road between Nueva Guinea and Bluefields and who is completing the studies for the Cukra Rivers-Monkey Point road, related his experiences to us.

Ayestas said that he began the field work for laying out and designing the 56-kilometer Cukra Rivers-Monkey Point road on orders from the Construction and Transportation Ministry in December 1991 and completed them in March of this year.

He reported that although the work during those four months was routine for him, it was a real feat and adventure. He needed 52 men, two of whom drowned. Only four of nine mules survived. One of the two motorboats was lost, and one of the three sets of topography gear was lost.

He explained that the work is tough and fraught with danger, because the Cukra Rivers-Monkey Point route runs through a completely uninhabited jungle area with dense vegetation. [passage omitted]

Argentina

Menem's Remarks on Castro Elicit Criticism

PY2907025492 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2300 GMT 25 Jul 92

[Excerpt] Buenos Aires, 25 Jul (NA)—Opposition leaders today termed "macabre," "irresponsible," and "shameful" the remarks made by President Carlos Menem. The president stated that Cuban President Fidel Castro must die for Cuba to change its regime.

The strongest criticism of Menem came from Deputy Luis Zamora, of the Workers Socialist Movement, and from Communist Party Secretary General Patricio Echeagaray. Former Deputy Carlos Auyero, leader of the Popular Democracy, Buenos Aires Radical Party leader Federico Storani, and Intransigent Party Deputy Oscar Alende also expressed their annoyance. [passage omitted]

Menem Visits Troops in Croatia

PY2807215092 Buenos Aires BUENOS AIRES
HERALD in English 28 Jul 92 p 1

[Excerpts] Zagreb (NA-DYN)—President Carlos Menem yesterday took a sidetrip from his Spanish sojourn to visit Argentina's peacekeeping troops in the war-torn former Yugoslavia.

During the seven-hour trip, the risks of which unsettled more than a few government officials and political leaders due to the ongoing confrontations between Serbs and Croats in the area, Menem met with Croatian President Franjo Tudjman and Argentine commander General Carlos Zabala and in sweltering heat toured the half-dozen bases of operations being used by Argentine troops.

This nation's 900 soldiers are part of the United Nations Blue Helmet peacemaking force of 14,000 and are stationed in western Slavonia in a 240-square kilometer zone some 150 kilometres from the capital of Croatia. [passage omitted]

Menem praised the troops for their professionalism and efforts that "in some way indicate a return from the terrible experience of the Malvinas" while making the traditional request for "subordination and valor" on their part. He vowed that Argentina would continue to assist in similar UN operations "wherever it is necessary to secure peace and liberty."

Argentina's officers and non-commissioned officers also were applauded by Defense Minister Antonio Erman Gonzalez, who joined the President's small entourage along with Foreign Minister Guido di Tella, Army Chief of Staff Martin Balza, Armed Forces Joint Chief of Staff Emilio Osses, other officials and a dozen Argentine journalists. While most of Menem's advisers returned with him to Seville, Gonzalez and Balza planned to

spend an additional 48 hours in the region to review activities in greater detail. [passage omitted]

Upon returning to Spain last night the President denied that he would be making any changes in the Cabinet and confirmed that he would extend his European stay long enough to visit the new leaders in Austria and Italy and spend several days on the island of Sardinia before returning to Buenos Aires on August 2.

Further on Visit

WA2907143892

For Zagreb radio reports on the visit of President Carlos Menem to Croatia see the Croatia section of the East Europe DAILY REPORT for 27 July.

Di Tella Dismisses Falklands Oil Accord Chances

PY2907032292 Buenos Aires TELAM in Spanish
1808 GMT 25 Jul 92

[Text] Salta, 25 Jul (TELAM)—Dismissing any possibility of reaching an agreement with the United Kingdom on the Malvinas [Falklands] Islands' oil, Foreign Minister Guido Di Tella today stressed that the Argentine Government "will not recognize any act involving a disregard for Argentine sovereignty."

Di Tella said no "legal value" will be recognized for any type of work involving the use of the waters surrounding the islands to conduct oil prospecting activities because they are Argentine territorial waters.

The Kelpers selected two enterprises to begin—according to their goals, in October—including seismic prospecting activities in waters adjacent to the Malvinas Islands that will indicate if there is oil in the region.

The oil issue was included in an "umbrella" agreement that safeguards the discussion on sovereignty over the Malvinas Islands since Argentina and the United Kingdom reestablished diplomatic relations in February 1990.

To begin that work—which will require a \$14 million investment from the selected firms—the Kelpers must have formal authorization from the British Government, an authorization they still have not received.

The minister dismissed any possibility of reaching an agreement with the United Kingdom on this issue and said the submission of a protest note to the British Government depends on the attitude it takes. "It depends on what happens; we will surely do it," he said.

In remarks to the correspondent of the newspaper EL TRIBUNO in Madrid, Di Tella said: "In fact, it does not matter if this is done by the officials living in the islands or the British Government; we do not recognize any act involving a disregard for Argentine sovereignty."

Spain Pact May Include Using Missile Base

PY2907023192 Buenos Aires NOTICIAS ARGENTINA
in Spanish 2352 GMT 28 Jul 92

[Text] Buenos Aires, 28 Jul (NA)—The Argentine and Spanish Defense Ministries might begin a series of joint activities to recycle the Cordoba facilities of Falda del Carmen, which housed the Condor II missile base, Argentine Defense Ministry sources reported today.

The joint activities might be performed at the Cordoba facilities after the signing of a cooperation agreement between Spain's National Air Space Technology Institute and Argentina's National Commission for Space Activities (CNAE).

The two governments can conclude the agreement in the next few days—during a meeting between the Argentine and Spanish defense ministers, Erman Gonzalez and Julian Garcia Vargas, respectively, to be held in Madrid.

Gonzalez, who is in the Balkans to meet (?Argentine troops) who joined the UN peacekeeping force deployed in the former Yugoslavian republic, plans to visit Madrid on 30 July.

According to the official agenda, Gonzalez also will visit the Spanish Defense Ministry's situation room, where the Spanish Government centralizes management of military information referred to Europe.

Gonzalez is due to return to Argentina on 1 August.

Ban Lifted on Trade of Foodstuffs With Bolivia

PY2807191292 Buenos Aires Radio Nacional Network
in Spanish 1500 GMT 28 Jul 92

[Text] Argentina and Bolivia have decided to lift a ban on bilateral food trade, according to an official communique released in Salta.

During a meeting convened by the two countries in Bolivia to discuss the cholera control campaign, Bolivia and Argentina adopted several resolutions, including the approval of common technical programs, the agreement to seek international economic aid, and the lifting of the previously-mentioned ban.

Meeting With Brazil on Nuclear Controls

PY2807212292 Buenos Aires LA PRENSA in Spanish
24 Jul 92 Section 1 p 12

[Text] Argentine and Brazilian nuclear experts met recently at the Brazilian-Argentine Accounting and Control Agency [ABACC] headquarters in Rio de Janeiro to address various aspects of the commitment between the two nations for the peaceful use of nuclear energy.

Manuel Mondino, chairman of the National Commission for Atomic Energy [CNEA], and Foreign Relations Under Secretary Rogelio Pfitter attended the meeting for Argentina. In July 1991, Brazil and Argentina signed an

agreement in which they committed themselves to submitting all radioactive materials and nuclear activities in their respective territories to a common accounting and control system.

The agreement's main objective was intended to be the exclusively peaceful use of nuclear energy both in the research field and its practical implementation. Thus, the two countries conduct reciprocal controls to verify whether nuclear programs are being implemented for peaceful purposes and not for the arms race or nuclear tests.

The ABACC, consisting of a commission of four members and a secretary, began to implement the agreement this month. Argentine Jorge Coll is the current secretary, a post that alternates yearly between a representative from each country.

The agreement creating the ABACC was ratified in December 1991 in Vienna before the International Atomic Energy Agency.

The creation of ABACC is another proof of the peaceful nature of the Argentine nuclear plan, and the openness of the policies followed by the CNEA, whose slogan is: "Atoms for peace."

*** Support for Constitutional Reform Surveyed***** Governors' Support**

92SM0509A Buenos Aires LA PRENSA in Spanish
22 Jun 92 p 3

[Text] All of the provincial governors, including the Radical governors, have agreed to speak out publicly in favor of constitutional reform, and the majority said they support the possibility of presidential reelection, according to an opinion poll conducted by Telam.

The pro-reform position in the provincial governments is unanimous. While some governors expressed doubts about when changes in the Constitution should be debated, others spoke of the need to put limits on modifications, and there were those who—like Cordoba's Eduardo Angeloz—want to sever the point about the chief executive's reelection from the debate.

In the partisan arena opinions seem more divided, but a pro-reform spirit does apparently prevail.

In the UCR [Radical Civic Union], the major opposition party, differences in opinion were revealed in public statements by its top three leaders.

Views

While Angeloz repeated his "pro-reform position" and only noted the need to work with all sectors to develop a consensus on the tenor of any eventual changes in the Constitution, Fernando de la Rúa flatly opposed both the reform and the presidential reelection provision. Former President Raul Alfonsín said he still favors

constitutional changes, but protests the apparent intention of the party in office to "ensure they will remain in power."

As a party, the UCR is still considering the issue, and its national chairman, Mario Losada, repeated that the party has not yet taken a position. He expects it to do so at its national convention.

In another major political group, the UCD [Democratic Center Union], its leader and founder, Alvaro Alsogaray, would not make a statement "either for or against, because that would be superficial and politically immature." He said that even though he is not promoting the reform, if the issue is formally proposed, he will not shun the debate. The party as a whole is still discussing its position.

The Unions

In the union sector, while the CGT [General Confederation of Labor] will define its position on the constitutional reform in the next few weeks. Statements by leaders of the workers' movement suggest that it will support the initiative favored by the Justicialists.

Leaders of large and influential unions, like Lorenzo Miguel (metalworkers), Jose Rodriguez (mechanics), Juan Zanola (bank employees), Jose Pedraza (railway workers), and Pedro Goyeneche (textiles), have already expressed their support for the reform and the inclusion of the presidential reelection clause.

Businessmen

In the business community, after several people spoke out in opposition a few weeks ago, trade association leaders called for public silence and are now discussing the matter prior to taking a position on this issue that has become the focus of political debate.

It is known that some government officials and Justicialist leaders have begun informal talks with key people in industrial, trade, financial, and agricultural sectors, seeking consensus on the contents of the eventual constitutional reform.

Opinions in Congress are quite varied, even within blocs, except among the Justicialist deputies and senators, who are definitely lined up behind their party's decision to promote the reform and reelection.

For the time being, the most critical and opposed to a reform in the Senate have been the members from Corrientes, Jose Romero Feris (independent) and Juan Aguirre Lanari (Liberal).

* Government Strategy

92SM0509B Buenos Aires LA PRENSA in Spanish
21 Jun 92 p 4

[Report by Juan Maria Coria]

[Text] The government has decided to play all its cards to bring off the constitutional reform. This means that it has opened up possibilities for debating the issue, primarily with the radicals, to whom it is prepared to listen and discuss their proposals, if they have any.

There is tacit agreement on this issue, say those closest to Carlos Menem.

"The three Eduardos," as our informants generally describe the men most closely identified with the president—Bauza, Duhalde, and Senator Menem—agree with this. So suggestions are pouring down on the mid-level leadership for stimulating this reform, which includes what the politicians are calling a plebiscite. A plebiscite is nothing but a popular vote to confirm someone in office.

In Argentine history the precedent for a plebiscite came in 1835, when Juan Manuel de Rosas was confirmed in office. A vote on a man is a plebiscite, while a vote on an issue is a referendum. So the politicians are not wrong when they say a plebiscite will be needed, though we think they do not know what they are talking about when discussing constitutional reform.

Using a referendum to reform the Constitution or a plebiscite to enable Menem to remain in office, though, is a risky tactic. If the people say "no," the government will be left on shaky ground.

But as we said, the government is prepared to talk and accept suggestions. What it will not accept are strings attached. If the Radicals and other political sectors agree to give legitimacy to the constitutional reform through a legislative ruling, a plebiscite will not be necessary. That is the route preferred by Bauza, Duhalde, and Eduardo Menem.

But this has to be made clear before 1993.

If the Justicialists reach 1993 without getting an agreement on the reform or deciding on a plebiscite, ferocious internal party power struggles will be unleashed for the presidential race in 1995.

The issue must be decided this year, in November or December, so the reform can be formalized in 1993. If radical pressures on specific aspects of the reform are very strong, the government will opt for a plebiscite.

Within Justicialism, there have been signs of moves on behalf of several possible Justicialist candidates for the presidency. One possible candidate is Domingo Cavallo, who would assure continuity in the economic liberalization process, and the other is Bordon, considered a certain champion of historic Peronism.

The meetings being held on this issue take on vital importance for the internal life of the Justicialist movement. And above all, for the political careers of those on Carlos Menem's team.

* ELMA Privatization Schedule Modified

92SM0513A Buenos Aires CLARIN in Spanish 3 Jul 92
p 29

[Article by Antonio Rossi: "New Date for Privatizing ELMA"]

[Text] Substantial changes in the shipping market resulting from the National Government's policy of deregulation have combined with changes in the international price picture to lead to yet another modification of the schedule for privatization of the Argentine Shipping Lines (ELMA).

The submission of bids containing the specifications and economic proposals of bidders that had been scheduled for today has now been postponed until 12 August, and the awarding of the bids scheduled for 9 October has been moved to 18 November.

The postponement of the dates for the bidding process, the second in three months, was accompanied by a series of modifications in specifications and terms.

When the privatization process was set in motion early in the year, the rules of play governing the shipping sector underwent significant modifications that reduced possibilities of selling the company.

Due to the elimination of the reserve freight law as a result of the government's deregulatory policy, ELMA's main attraction as a business virtually disappeared! The freight reserve had previously created a virtual captive market because as ELMA monopolized 60 percent of our country's cold-storage and grain shipping with other countries. Furthermore, it enjoyed a monopoly over all shipping resulting from buying and selling done by government agencies and enterprises with other countries.

As soon as it went into effect, elimination of the freight reserve law resulted in a loss of shipping amounting to some 6 million pesos a month.

The initial privatization scenario was abruptly changed by increased competition from the proliferation of outsiders (nonroutine freight services) resulting from deregulation rules. Another factor conspiring against the privatization process outlined in the early months of 1992 was the near 10 percent reduction in the appraised worth of the fleet due to the drop in international boat prices.

The combination of these elements resulted in a series of modifications in the original terms of privatization. A major change was the base price set for the sale of ELMA. Based on the method of projected cash flow, the initial appraisal was put at roughly 200 million pesos. After deducting liabilities of some 120 million pesos, the cash amount that the government expected to pocket was around 70 million pesos. Under the new rules of play, the company had to be reappraised, and the base price dropped substantially: Instead of 70 million, the government's coffers would now take in 32.5 million pesos in cash for the sale of 85 percent of ELMA. This is the sum

that must be paid by the winner of the bidding. In other words, the group offering the largest number of securities on the domestic and foreign debt in addition to the base price being asked.

Other noteworthy changes in the bidding include:

- elimination of the government's veto power over the transfer of ships to foreign registry and the hoisting of the most advantageous standard and the sale of ships more than 14 years old;
- elimination of the rule that the government representative be required to attend special assemblies;
- greater flexibility in the five-year investment plan concerning the number of boats to be incorporated and their technical specifications;
- an increase in the number of the new company's board members in order to render private participation more representative;
- limiting to three the maximum number of operators who may form a pool to compute their holdings and meet minimum guidelines for technical-operational capabilities; and
- in addition to a reduction in sums required to back the bid and meet challenges, a stipulation that the number of employees transferred would be 1,500.

Concerning the liability of 120 million pesos that was originally to have been paid immediately, it will now be possible to renegotiate payment between the future buyer of ELMA and the Argentine National Bank (BNA).

Three consortiums are competing for ELMA so far: 1) South American Steam, Ultraocean, and Rio Bank; 2) Delmas, Ciarnar, and Astra; and 3) Maruba and Libra. Officials are confident that the new modifications will be the last ones needed to bring the privatization process to a successful conclusion. However, attempting to clear away any doubt, Luis Santos Casale, company auditor for nearly three years, issued the following statement: "If privatization fails, then practical, heroic solutions will be taken to prevent ELMA from being liquidated."

Bolivia

President Paz Evaluates Ibero-American Summit

PY2807215892 La Paz Television Boliviana
Network in Spanish 1700 GMT 28 Jul 92

[Text] President Jaime Paz Zamora, who returned to the country after attending the Second Ibero-American Summit in Madrid, said today that the government pays great attention to the country's international relations. He added that this is why it will be necessary to seek better relations and coordination in projects with the United States, especially on the issues related to the struggle against drug trafficking:

[Begin Paz recording] Working for the Bolivian presence abroad is the best way to work for its internal progress. This is perhaps the best lesson we learned in our actions

abroad, both in the proposal for the creation of the Indian development fund, as well as in our diplomacy for coca. As we pointed out abroad, the implementation of the Indian development fund will represent in the future a real transformation of almost 50 percent of our national population, a benefit not only for Bolivia but also for Latin America. Also, the efforts we are making for the industrialization of coca in its beneficial aspects and its commercialization in the international market can really become an economic revolution for our country in the medium and long term. [end recording]

President Paz indicated that the Bolivian people have a profound belief in defending what coca represents:

[Begin Paz recording] Bolivia's effort for the industrialization of coca and its legal acceptance in the international market is something based on the profound conviction of all Bolivian people. In order to show the Bolivian conviction on this issue, I pointed out that if the international community does not accept the Bolivian position, Bolivia would even be willing to report it to the Vienna Convention. I did not say this to show our eagerness to report it or that we should report it. I pointed it out so the international community will understand that Bolivia is not playing with this issue, which is serious enough to be taken into consideration. [end recording]

Congress Not Asked About U.S. Troops

PY2807144492 La Paz Television Boliviana Network
in Spanish 0200 GMT 28 Jul 92

[Text] In the opinion of Senate President Guillermo Fortun, the interpolation of the defense, foreign, and interior ministers was caused by an oversight by some Executive Branch members who failed to ask Congress for an authorization for the entry of U.S. troops into our country.

No authority can violate our country's current laws, Fortun added, justifying the interpolation of the aforementioned ministers.

[Begin recording] [Fortun] I believe it was an oversight. A note should have been sent, asking Congress for an authorization—allowing Congress to review such a note, thus avoiding this problem.

I believe they [not further specified] actually forgot or perhaps they wanted to ignore Congress. The fact is that, if there is a constitutional provision, such a constitutional provision must be observed.

[Unidentified reporter] At what level was the oversight made?

[Fortun] At the appropriate one. I believe it was an Executive Branch oversight with respect to Congress.

It is the duty of the Executive Branch to send a note, indicating to Congress that troops will enter. Such an

authorization must be discussed by the Bolivian Congress. And if the Bolivian Congress approves, the troops can enter our country. Otherwise, they cannot.

In fact, trying to ignore a constitutional provision is bad for democracy. [end recording]

More on U.S. Troops

PY2807154692 La Paz PRESENCIA in Spanish
16 Jul 92 p 7

[Excerpt] Santa Ana del Yacuma—Bolivian military, police, and U.S. diplomatic sources yesterday reported that by building a high school in Santa Ana del Yacuma, El Beni Department, 122 U.S. military troops are improving their ability to take action in the event of a war in the country.

Defense Minister Alberto Saenz Klinsky, Armed Forces Commander in Chief Oscar Vargas Lorenzetti, U.S. Embassy Deputy Chief of Mission David Dlouhy, and the military chief of the U.S. operation (of civic action) Alejandro Espinosa, have agreed that the U.S. troops are training in Bolivia in the event of an emergency.

"It is obvious that they are training; however, it is not combat training, but engineering training," Saenz Klinsky told several reporters sent to Santa Ana.

"This is training our troops need. If we can achieve two objectives at the same time, the training and the construction of the school, we have fulfilled our mission. It is part of the agreements we sign every year," Dlouhy explained.

The remarks made by the defense minister and by the U.S. Embassy official were fully supported by Vargas Lorenzetti and by Espinosa, who said that the U.S. troops are gaining experience in the country.

The delegation of reporters was accompanied by Deputies Emma Obleas, Gregorio Lanza, and Alfonso Alem who, after the repeated denunciations, categorically denied the existence of nuclear waste in Santa Ana.

The construction of the school in Santa Ana, which was named after Msgr. Daniel Rivero, is accepted by the local people. Ernesto Moises Yabeta, civic committee president, stated that the same local people, however, rejected the U.S. presence in the country.

"We have not requested U.S. military assistance, and nothing was said about a military settlement in Santa Ana. We reject the presence of those troops in this town," Moises Yabeta said. [passage omitted]

Alleged Zarate Willka Leader Arrested

PY2807222092 La Paz PRESENCIA in Spanish
20 Jul 92 p 1

[Text] Police spokesmen reported that Johnny Justino Peralta Espinoza, alleged leader of the "Zarate-Willka

(FAL-ZW) Armed Liberation Front" was arrested yesterday at dawn by intelligence agents.

The arrest, much awaited by police, took place yesterday at 0400 in his home, a few hours before the La Paz court issued a sentence in the case of the five arrested FAL-ZW members.

Police sources said that Peralta, who is seriously ill with tuberculosis, was arrested while sleeping in his house, which he visited "on an urgent" basis for the first time in two years.

"This man, who was at large from justice, arrived in his house at 2300 last night and he was arrested this morning. He did not resist, and he currently is in police intelligence quarters," sources told PRESENCIA.

Peralta, together with Susana Zapana Hannover, was declared guilty of contempt of court in 1989, during the "Zarate Willka" trial case heard in a La Paz court in which the group was charged with committing crimes of terrorism and armed revolt.

The "Zarate Willka" group is accused of murdering two Mormon missionaries and of a failed dynamite attack against former U.S. Secretary of State George Schultz, who visited the country in 1988.

The arrest of Peralta took place at 23 March Street, Villa Nuevo Potosi, La Paz.

The FAL-ZW began public activities in 1988 but it was neutralized by government security organizations in less than a year.

Brazil

Highlights of Claudio Vieira's CPI Statement

PY2807225892 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jul 92 Section 1 p 4

[Text] Herewith the main paragraphs of the statement by former presidential secretary Claudio Vieira to the CPI [Congressional Investigating Committee] looking into the PC [Paulo Cesar] Farias case:

"My home was surrounded by members of the press. Journalists attacked and demanded identification from people who wanted to talk to me. Even my family, my brothers were actually harassed by the press. My mother, a fragile 87-year-old woman, had her house practically invaded by members of a magazine."

"I did not refuse to take an oath before the CPI, even though I understand that I am not a witness but someone who is being accused. This harassment has even given rise to jokes in newspapers in which I have been depicted as being imprisoned at home. It is absolutely outrageous."

"There is press freedom, but citizens also have their rights. I am a Brazilian citizen and I have the right to my own privacy, to either speak or remain silent."

"Why are they doing this to someone else? Is it fair?"

"A judge judges someone's action, not the person. But in this case persons are being judged. Why? I believe no one is as pure and as wise to do that."

"In the last 70 days, there was practically a persecution. It was absurd that people should have been searching the Casa da Dinda garbage cans for the president's bills. Even the first lady's drugstore bills were thoroughly reviewed. It is outrageous. Where is the people's freedom?"

"Amusing facts like trying to know how many kilograms of meat are consumed at the Casa da Dinda amount to a true violation of privacy. Even so, I came here because of the seriousness of the charge that Mr. Paulo Cesar Farias was paying for the president's personal expenses."

"I finally had a chance to bring here the explanations and the tangible evidence that the president's personal expenses, the expenses of his house and his family, are paid with his own funds, which are still under my responsibility."

"At the end of 1988, friends of Alagoas Governor Fernando Collor met to raise funds for the presidential campaign. He was still the governor of a small state in northeastern Brazil, with no media coverage. His candidacy obviously would have disadvantages, especially of a financial type. We concluded that to begin the campaign we needed around \$5 million. It was difficult for us to obtain that money in Brazil."

"In January 1989, an agreement was reached with a Uruguayan bank that decided to provide the money. The contract was signed on 16 January 1989. The institution gave us a line of credit for up to \$20 million. I signed the contract as the financial agent of citizen Fernando Collor de Mello. The contract was signed in Uruguay by the bank president. Two days later I signed it in Maceio. The agreement demanded guarantors for the first disbursement."

"In April 1989 I received a promissory note endorsed by President Fernando Collor and by two businessmen who attended the first meeting, Luiz Estevao and Paulo Octavio."

"I requested \$3.7 million, because we are about to leave the Alagoas government. Following a friend's advice, I made an investment in gold with a Brazilian investor. I purchased some 300 kg, which were left in the hands of the investor, who worked at the Stock Exchange under contract. The investor took the gold as a deposit to be withdrawn in the future."

"After the campaign began, the candidate stopped being an unknown figure, and his image changed substantially in the public's eyes. Friends appeared to provide financial help. It was therefore not necessary to use the gold for the campaign. The gold remained in the investors' hands. I began to use the gold in May 1989, but for paying the personal expenses of his excellency, for authorized work in President Collor's house. I regularly withdrew part of the gold."

"I read in the papers that some people had made deposits in the presidential secretary's account. The papers said those people did not actually exist. When I read that report, I felt disturbed, because when I signed the contract with the investor, I asked him to make several deposits in the accounts of Ana Acioli, Mr. Jose Nehring de Cesar, and Brazil's Garden. The investor always complied with the instructions."

"I was so disturbed by the news that I was not in the appropriate psychological state for any other type of contact with the investor, other than contractual contacts."

"The investor was honest enough to make a statement in a public notary office, certifying that the deposits were made under contracts and under his own responsibility."

"The entire operation was performed in keeping with Uruguayan and Brazilian laws. I have no doubts as to the legality of the operation."

"I brought several documents to you. The credit contract has been certified by a notary public. I will supply a statement by the president of the Uruguayan bank confirming that I withdrew the aforementioned amount, a statement by the exchange broker who changed the money into new cruzados, and a statement by a public accountant who certified the operation, along with the tickets and a statement by the investor."

"I hope that these documents, after being examined by Your Excellencies, will clarify the doubts that were sown within society. I hope that all of us will act calmly and responsibly, and with moderation. It is time to reflect and to preserve institutions so that the dignity of people also may be preserved."

Poll Addresses Collor's Presidency

PY2907021492 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 27 Jul 92 Section 1 P 8

[By Kennedy Alencar]

[Text] According to more than 50 percent (54 percent) of voters polled by DataFolha in 12 capitals, Fernando Collor de Mello should leave the Presidency. The poll revealed that 38 percent of voters want Collor to resign, while 16 percent want him temporarily out of the Presidency while the charges against Paulo Cesar Cavalcante Farias, known as PC, are investigated. Thirty-nine percent of those polled want Collor to remain in his post.

An absolute majority of those polled doubt that the CPI [Congressional Investigating Committee] looking into the charges against PC will do a serious job. In the opinion of 66 percent of those polled, the CPI is a show that will lead nowhere. The poll shows that 25 percent of voters believe the CPI's work will be concluded.

The largest percentages of voters who would like Collor to resign were registered in Fortaleza (50 percent), Recife and Porto Alegre (46 percent each), Salvador (45 percent), and Manaus (42 percent). The largest percentages

of voters who want Collor to stay in his post were registered in Goiania (46 percent) and Belo Horizonte (45 percent). This position is also held by 44 percent of Sao Paulo voters and 43 percent of Rio de Janeiro voters.

In the opposition, PT [Workers Party] members ranked first among those who want Collor to resign (47 percent), while PDS [Democratic Worker's Party] members, with 39 percent, ranked first among the parties that support the president. As for the PTB [Brazilian Labor Party], which also supports Collor, 34 percent of its followers want Collor's resignation.

In the PRN [National Reconstruction Party], an absolute majority (86 percent) wants Collor to remain in Planalto Palace, while this percentage drops to 52 percent among members of the PFL [Liberal Front Party]. Collor's main supporting party. Among PFL followers, 32 percent want Collor's resignation.

Among PSDB [Brazilian Democratic Movement Party] members, 36 percent believe the CPI will seriously investigate the charges against PC. This opinion is shared by 35 percent of those polled in Porto Alegre.

Compared to previous polls, these results show that there have been practically no changes in opinions on the attitude President Collor should adopt with respect to the crisis and the CPI's work. This poll was conducted in Rio de Janeiro and Sao Paulo on 14 July, and in the other capitals on 21 July.

Chamber President Discusses Impeachment

PY2807172292 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 26 Jul 92 Section 1 p 10

[Interview with Ibsen Pinheiro, Chamber of Deputies president, by reporter Gilberto Dimenstein on 23 July—place not given]

[Text] [Dimenstein] Is there evidence already that could lead to the need to impeach the president of the republic?

[Pinheiro] I would not like to voice an opinion on the need, but I would prefer to analyze the possibility, because if I were to express my opinion, I should have had access to the findings of the investigations, and this I do not have. However, I have analyzed the impeachment procedures.

[Dimenstein] Does this mean that impeachment is unavoidable?

[Pinheiro] I think this is at least probable, first, because of the characteristic of its possibility. Any citizen can present evidence. This is important information. It is not necessarily a congressional investigation or a commission. Second, because of the level of involvement of investigating institutions, people, and very expressive political forces. I say this because I have already received some requests to impeach the president of the Republic.

This and the official duty led the adviser to the chairman of the Chamber of Deputies to analyze the procedure.

[Dimenstein] What is the procedure?

[Pinheiro] I would say that the procedure can have some variations that can be evaluated along the way. Some variations will be easy to understand and will be unanimously defined. It seems clear that the first study of the Chamber of Deputies will not involve the merit of the request but its legal requirements.

[Dimenstein] In other words...

[Pinheiro] The one making the request should be capable of showing evidence by presenting documents and testimonies, or in their absence, by giving the reasons for it but indicating the means to get the evidence.

[Dimenstein] According to your comments the impeachment request based on the report of the Congressional Investigating Committee [CPI] must be accepted.

[Pinheiro] I do not believe the CPI will make an official impeachment request, because it is not its job to accuse the president, this is not under its jurisdiction. But it may occur that the CPI may provide elements that others can eventually use. And considering the social, political, and institutional situation, the political forces have the instruments for a preliminary study. The preliminary steps are not under my jurisdiction. After the preliminary studies the case will go to the chamber floor to elect a commission by vote, and this commission will have the responsibility of making a judgement to define if the request should or should not be debated.

[Dimenstein] Independently of the process, has President Fernando Collor's capacity to govern been weakened?

[Pinheiro] I believe it has been weakened. The image of the president of the Republic was weakened and that image is one of the conditions for authority. The other condition is his legitimacy, which has no one questions. There is the image of his credibility. I cannot say now that the image has been irretrievably weakened, because that depends on future facts. And the first facts depend on the conclusions of the investigation being carried out by the CPI, and the police, and on the actions of the Attorney General's Office. This is why it would be premature to talk about the irreversibility of this process. But I cannot escape from the reality of the known facts, and that some circumstances—some of them very revealing—already affect to a certain degree the image of the presidency of the Republic.

[Dimenstein] In your opinion, is there a link between businessman Paulo Cesar Farias and President Fernando Collor?

[Pinheiro] Look, the intention is to prove that. That was the objective of an investigation which did not begin with the president, but which by pulling the end of the thread has led to the doorsteps of the president's house and which must be clarified. Let me reiterate that I have

no facts to be able to say now with certainty that there is evidence of the president's personal involvement in this case. I do not have such facts. But I also believe that the facts cannot remain as they are. I do not believe that. I believe the doubt must be dispelled. The doubt is great. The suspicion spread out and that doubt cannot remain, there must be a definitive resolution; the doubt must be confirmed or dispelled.

[Dimenstein] The president thinks that the "coupist syndicate" is linking him to PC...

[Pinheiro] A positive thing that can be pointed out from this crisis that is anguishing and depressing the public is the strengthening of the institutions as the ultimate arbiter of this crisis to implement a solution in keeping with the facts. The crisis was for some time attributed to political and partisan interests, but I think that this thinking was not based on facts or the memory of the people. No partisan struggle would want to create this atmosphere, no alliance of political forces would produce this atmosphere. Beyond the memory of the people, everyone knows that this is a political crisis because it affects the president of the Republic. Its origin, however, is not from party struggles. The crisis has not sprung from Congress nor from the political parties; it sprang from the president's close aides and family circle. That is the origin. The media that publicized the facts were not Congress, they were the great magazines, prominent journalists, and television broadcasts, which is another positive effect of the crisis.

[Dimenstein] Can an impeachment motion be approved by Congress?

[Pinheiro] It is very difficult. I think it is impossible for the opposition to obtain two-thirds of the votes. However, a unanimous motion would be easier to obtain. Two-thirds means the alliance of forces in a conventional congressional battle, and it is impossible to reach an agreement there because the Executive Branch is capable of controlling at least a third of Congress. At least a third. I already heard someone say: the more guilty a president is, the harder his impeachment process is...

[Dimenstein] Why?

[Pinheiro] Because, if he is a victim of charges, he will use his power to prevent an alliance to obtain a two-thirds vote in Congress. This means that the battle will not take place in Congress, it will take place in society.

[Dimenstein] Does that mean that a national appeal is required?

[Pinheiro] To summarize it, yes. If there was a national feeling that it is impossible to sustain a government as entangled as this one, evidently the unanimous feeling in society will be reflected in Congress. There are natural channels between Congress and society.

[Dimenstein] Not even in the campaign for direct Elections Now was a unanimous consensus reached.

[Pinheiro] Yes, because no unanimous agreement was reached in the direct Elections Now campaign. Many forces resisted the campaign. The military regime had reserves of energy to prevent a unanimous agreement.

[Dimenstein] This means that basically Congress will reflect what society decides.

[Pinheiro] If the people are careful enough to presume that this is not a mechanical relation. It is a social and political fact that will inexorably effect the congressmen. It is necessary, however, for society to have an inexorable force.

[Dimenstein] Can you already observe the elements needed for this unanimous motion?

[Pinheiro] I already observe some elements. I cannot assert it, but there are indications. Everyone remembers that the president's message on television softened the public's strong feelings. The least I can say is that his speech was effective. However, the questioning of the assertions he made in his speech also determined the intensification of the public's feelings.

[Dimenstein] How are the pro-government forces in congress now?

[Pinheiro] When I talk about the difference between two-thirds of the votes and an unanimous motion, I am talking exactly about that. I think that a government, any government, has enough power to obtain some significant solidarity from Congress. But if the government is completely discredited, in its morals and image, there is no example in history of artificial support for such a government. There is no example. Naturally, the relationship between the people's feelings and Congress cannot be automatic. That is natural, the mandates do not last a day, but four years. However, since the congressmen are elected, there is an obligation in terms of time. No government can sustain itself without moral force.

[Dimenstein] Is there a threat of a coup?

[Pinheiro] As I said, I think that the most positive aspect of this crisis is the strengthening of the institutions. No one intends, proclaims, or imagines any solution that is not a legal one. I think that the 20-something years of dictatorship generated some powerful antibodies in Brazilian society. We can observe in society the people's determination to preserve this democracy that was conquered with so much pain. That is the feeling of the Armed Forces, political forces, and the national media, and of the public. Thus, I do not hesitate to say that whatever solution is found will be legal. This is a guarantee for the president of the Republic. It is also a guarantee for the vice president and all the rest.

Castro Fears 'Domino Effect' if Collor Impeached

PY2807192092 Madrid EFE in Spanish
1623 GMT 28 Jul 92

[Text] Brasilia, 28 Jul (EFE)—The [Brazilian] newspaper "CORREIO BRAZILIENSE" today reported that Cuban President Fidel Castro fears that an eventual impeachment of his Brazilian colleague, Fernando Collor, will have a "domino effect" on Latin American democracies.

Speaking recently in Havana to Brazilian political expert and historian Moniz Bandeira, Castro said that an important Brazilian leftist sector, particularly the Workers Party (PT), is committing "political suicide" by supporting Collor's ouster.

According to what Castro told Bandeira, if Collor is ousted in view of his alleged involvement in corruption crimes, "a violent power struggle" will ensue in Brazil for the presidential succession.

Bandeira, who is an advisor to Leonel Brazilio, the Rio de Janeiro governor and Democratic Worker's Party (PDT) leader, states that Castro supports Brizola's position, which favors Collor's continuation as president.

Brizola, a vice president of the International Socialist (IS), is facing opposition from within the PDT—whose congressional bloc is opposed to the Collor administration—and from the Brazilian left.

Three other leftist political parties having representatives in Congress—the PT, headed by former presidential candidate Luiz Ignacio Lula de Silva; the Brazilian Communist Party (PPS, formerly pro-Soviet); and the Communist Party of Brazil (PC do B)—have joined ranks with center and rightist parties to impeach Collor.

CPI To Investigate Foreign Loan to Collor

PY2807232292 Rio de Janeiro O GLOBO
in Portuguese 28 Jul 92 p 4

[Text] Brasilia—Deputy Benito Gama (PFL-PE) [Liberal Front Party-Pernambuco State] and Senator Amir Lando (PMDB-RO) [Brazilian Democratic Movement Party-Rondonia State], president and spokesman, respectively, of the CPI [Congressional Investigating Committee] investigating Paulo Cesar Farias, and a third legislator still to be designated will travel today or tomorrow to Uruguay to investigate "in situ" exactly how Fernando Collor, who was then Alagoas governor and a presidential candidate, contracted a loan of up to \$5 million in that country.

"We did not ask for a 72-hour recess to give them a chance to get the documents. We wanted the 72-hour recess to go to Uruguay ourselves," Senator Paulo Bisol (PSB-RS) [Brazilian Socialist Party-Rio Grande do Sul State] explained. The recess was part of the strategy if Claudio Vieira did not bring all the documents needed to

explain the financial transaction justifying the payment of President Fernando Collor's expenses.

In Montevideo the CPI will verify what type of institution is Alfa Trading [preceding two words in English], the organization that made the loan. Vieira called it a "financial institution." Trading, meanwhile, means commerce in English and gives the impression that the company is a commercial institution and that Vieira contradicted himself when calling it a financial institution. The legislators will verify the Uruguayan loan's registry, the conditions set by the Uruguayan Government for this type of financial operation, and the requirements for registering such transactions at a notary's office.

Planalto Press Secretariat To Be Restructured

PY2807234892 *Brasilia Voz do Brasil Network*
in Portuguese 2200 GMT 28 Jul 92

[Report by Luiz Augusto Mendonca from Planalto Palace]

[Text] The Planalto Palace Press Secretariat's structure will be changed.

Ambassador [title as heard] Marcos Coimbra, the secretary general of the Presidency of the Republic, has accepted a proposal made by [Presidential] Press Secretary Pedro Luiz Rodrigues to divide the Press and Dissemination Secretariat into two secretariats: the Press Secretariat, which will continue with Pedro Luiz Rodrigues as its head; and the Dissemination Secretariat, which will be headed by publicist (Tom Envelope).

Pedro Luiz Rodrigues told Ambassador Marcos Coimbra that it was difficult to reconcile the government's communications and publicity within a single area.

Tomorrow morning President Collor will go to Mato Grosso do Sul State to visit the Coimbra fort in Porto Esperanca District in Corumba.

Debt Rescheduling Agreement Reached With Poland

PY2907001692 *Brasilia Voz do Brasil Network*
in Portuguese 2200 GMT 28 Jul 92

[Report by Corban Costa from the Economy Ministry]

[Text] The Brazilian Government, through the Economy Ministry, today signed an agreement to reschedule Poland's \$3.76 billion debt with Brazil. The agreement, signed within the Paris Club circle, allows a 50-percent debt reduction.

Brazil chose to reduce the interest, preserving the debt's principal that must be repaid within an 18-year period, with a 4.5-year grace period. The interest will be paid in March and September every year.

In the opinion of Polish Ambassador to Brazil Katarzyna Skorzynska, the agreement is important for political and trade relations between the two countries and will allow enhanced exchanges between entrepreneurs.

[Begin recording] Now we must close the period of negotiations between the two governments and, with a free market, begin a period of good business between Brazilian and Polish entrepreneurs. [end recording]

After signing the agreement, Poland must pay \$33 million, involving the debt's first installment, within the next few days and \$70 million, involving interest rates, in September.

Chile

Meetings for 'Good Civilian-Military Relations'

PY2907022392 *Santiago Television Nacional*
de Chile Imagen Internacional in Spanish 0000 GMT
29 Jul 92

[All reporters unidentified]

[Excerpts] General Augusto Pinochet has said that nothing unusual was discussed during his meetings with political and business leaders. Pinochet said Senator Salvador Pinera, whom he met recently, made a very good impression on him. [passage omitted]

Reporters asked Gen. Pinochet about his meetings with political and business leaders, which were characterized by coalition representatives as inappropriate for a commander in chief.

[Begin recording] [Pinochet] I think I am satisfying a government wish to maintain good civilian-military relations.

[First reporter] Did you discuss any political issues in those meetings?

[Pinochet] Not really. We talked about social meetings, about everything. We chatted about everything, particularly history.

[Second reporter] Did Sen. Pinera ask your permission or your support to run for president?

[Pinochet] The senator visited me to talk about other things.

[First reporter] What is your opinion of Sen. Sebastian Pinera?

[Pinochet] Listen. I do not live in the air. I understand everything you are talking about.

[Second reporter] What is your opinion of Sen. Pinera?

[Pinochet] I have a very good opinion of him.

[Third reporter] Would you like to see Sen. Pinera as the right-wing parties' presidential candidate in the upcoming presidential elections?

[Pinochet] I congratulate all presidential candidates. I wish all of them could become president. [end recording]

Regarding the government's constitutional reform proposal, Gen. Pinochet said he already had submitted the Military Council's conclusions to the president of the Republic.

Blast Causes Damage to Mormon Church

PY2807143292 Santiago Radio Chilena Network
in Spanish 1100 GMT 28 Jul 92

[Text] An explosive device went off at a Mormon church. The bomb was planted at the rear of the church located at 1681 Huelin Street, Cerro Navia District.

The explosion caused considerable damage to the church and neighboring houses, especially shattering windows. The explosive charge was made of 250 kg of ANFO [ammonium-nitrate-fuel oil blasting agents] which was activated by a safety fuse.

Pamphlets from the Manuel Rodriguez Patriotic Front were found at the scene.

Explosion in Paipote

PY2807160692 Santiago EL MERCURIO in Spanish
17 Jul 92 p C13

[By Juan Soto Meneses]

[Text] Copiapo—Damage estimated at 2 million pesos was caused by the explosion of a bomb at the door of a Mormon Church in the locality of Paipote, 8 km south-east of this capital, destroying its windows and damaging part of the building's structure.

The bomb exploded at 2130 yesterday night but caused no casualties. Carabineros from the PAE [Carabineros Special Actions Patrol] from this town established that the bomb was made of 300 grams of industrial ANFO [ammonium nitrate-fuel oil blasting agents] and activated by a fuse. Another similar charge planted on the side of the church failed to explode.

Through a telephone call to a local newspaper, the Lautaro Youth Movement claimed responsibility for the attack and added that the attack was to repudiate "Yankee imperialism." There was no information on any arrests.

Lautaro Youth Front 'Practically Disbanded'

PY2807223292 Santiago EL MERCURIO
in Spanish 20 Jul 92 p C4

[Excerpt] Marcelo Schilling, secretary of the Public Safety Coordinating Board, said that the Lautaro Youth Front has been practically disbanded thanks to police

actions. He also reported that many Manuel Rodriguez Patriotic Front members have "literally returned to their homes because they realized they were following a path that demonstrated their failure."

Schilling said that the historical leadership of the Mapu-Lautaro [United Popular Action Movement-Lautaro] has practically been disbanded, except for a small group headed by Guillermo Ossandon, alias Diego Carvajal, who today is one of the most sought-after men in the country.

"Their most prepared cadres, what they called the Popular Rebel Lautaro Forces, have practically all been imprisoned, except for a few who still have not been arrested," Schilling said. [passage omitted]

UCC Not To Join Opposition Coalition

PY2907025092 Santiago Television Nacional
de Chile Imagen Internacional in Spanish 0000 GMT
29 Jul 92

[Text] The Center-Center Union [UCC] has decided unanimously not to join the opposition pact. The UCC made this decision in answer to a call for unity by National Renewal Party [RN] President Andres Allamand.

After an intense meeting with the party's political commission, UCC leader Francisco Javier Errazuriz explained that the party is essentially interested in reforming the electoral system and will use all its energies in this endeavor.

[Begin recording] The political commission has decided to support the executive in its dealings and negotiations with the ruling coalition on this issue. [end recording]

However, Carlos Arroyo, who until recently served as UCC national adviser and today is a member of the Supreme Tribunal, proposed a totally different position. He stressed that the UCC grass roots are closer to the RN and the UDI [Independent Democratic Union] than to the ruling coalition and that they are a majority.

[Begin recording] [Unidentified reporter] Would you and the grass roots supporting you be willing to join the pact with the RN and the UDI?

[Arroyo] I have no doubt about it. And that is not all, I will work with some friends to see that the grass roots express themselves in support of this pact. This is the basic discrepancy. I think, regrettably, Francisco Javier Errazuriz is making a big mistake. [end recording]

Honecker's Departure Expected Soon

PY2907005392 Santiago Radio Cooperativa
Network in Spanish 2300 GMT 28 Jul 92

[Report by Carmen Casco from the Foreign Ministry]

[Excerpts] The best would be if Honecker left for Germany to report to the courts in that country, acting

Russian Ambassador Igor Rybalkin has said. The diplomat refused to give his opinion on the current status of Honecker's stay in the Chilean Embassy in Moscow. He talked to Radio Cooperativa reporters.

[Begin recording] [Rybalkin] What else can I say?

[Unidentified reporter] I don't know. I would like you to give your own opinion on this case. How do you consider it? I would like to know that.

[Rybalkin] Well, I think that it will be difficult, but we have practically remained outside the talks. That is why the issue is difficult for me. You know, I don't like talking about things with which I am not thoroughly familiar. [end recording] [passage omitted]

According to the last reports that we obtained this afternoon, the Chilean, Russian, and German Governments have reached an agreement for Honecker's departure, which should occur in the next few hours.

Colombia

Deputy Justice Minister Dismissed Over Escape

PA2907005892 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 2300 GMT 28 Jul 92

[Text] On 28 July, President Cesar Gaviria began to pay the political cost of Pablo Escobar's escape. He dismissed Deputy Justice Minister Eduardo Mendoza, who was one of his closest collaborators and the person in charge of security at La Catedral Prison in Envigado. Mendoza has become the first civilian to leave the government after the dismissal of four high-ranking military officers.

Eduardo Mendoza has been the person who was always closest to the president of the republic. He began as secretary general when Gaviria was deputy finance minister. He later accompanied Gaviria to the Government Ministry during former President Virgilio Barco's administration. Later Mendoza was appointed chief of security during Gaviria's presidential campaign and later held the same post at Narino Palace.

In August 1991, two months after Escobar's surrender, the president appointed him deputy justice minister to implement a security plan for the country's prisons. On 28 July 1992, his appointment was declared null.

[Begin Justice Minister Andres Gonzalez recording] In essence, the government is exercising its authority to appoint and dismiss its officials. [end recording]

Although this was the only comment by the justice minister, it was learned that Eduardo Mendoza's conduct has been criticized since the beginning by high-ranking military commanders who have been dismissed already.

[Begin recording] [General Hernando Monsalve] Do you know why the film [not further identified] was damaged?

Because the deputy justice minister showed up one day at Eldorado Airport and claimed it belonged at the Justice Ministry. Those who were guarding the film invited him to see where it was stored so he would see how carefully it was being protected. The deputy justice minister insisted on taking it.

[Colonel Hernando Navas] The deputy justice minister must state what kind of order was issued. Let us hope he has enough courage to state why Col. Navas' position was interpreted so differently and why Col. Navas was tried without hearing what he had to say. [end recording]

The government believes Mendoza's mistake was to enter the Envigado prison of his own volition.

Mendoza on Escape

PA2907011492 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 2300 GMT 28 Jul 92

[Text] Eduardo Mendoza, the dismissed deputy justice minister, has issued his first statements following his dismissal. He acknowledged his political responsibilities in the Pablo Escobar escape from prison. He explains, however, that he had nothing to do with the military operation that was under way in the prison area.

[Begin recording] [Unidentified reporter] Mr. Deputy Minister, when Pablo Escobar escaped you were the highest-ranking government official at the Envigado prison. Are you, militarily speaking, responsible for the escape, as some think?

[Mendoza] I believe that the chronology of the events, which has been made known by the government, explains that the order to seize the prison had been given many hours before my arrival. I do not want to get involved in any argument. I believe the Defense Ministry has carried out investigations and has adopted the measures it deemed adequate.

[Reporter] Then, why are you leaving your post as deputy minister?

[Mendoza] We have to know how to pay the political price of our positions. It is evident that there were large flaws in the Envigado prison and this was never reported by the director of that prison or by the general director of prisons. I cannot shield myself with that. I must assume my responsibilities as deputy minister of justice and I have to leave. I fully understand the decision adopted by the government.

[Reporter] What were you going to do when you went to Envigado?

[Mendoza] The Security Council had ordered me to give legal and formal status to the seizure of the prison, and then to transfer the inmates to a military prison.

[Reporter] Did you know about the military operation?

[Mendoza] I knew that the prison's security had been strengthened. As I have said, when I arrived there, I did not know that the operation was already under way. [end recording]

Air Force Communique on U.S. Plane Overflights

PA2907140592 Santa Fe de Bogota Emisoras
Caracol Network in Spanish 1325 GMT 29 Jul 92

[Communique issued "moments ago" by Colombian Air Force Commander Manuel Jaime Forero Quinonez — read by unidentified station reporter]

[Text] The commander of the Colombian Air Force reports to the people that, in the implementation of counternarcotics cooperation agreements, in keeping with normal procedures to authorize overflights under the command of Air Force aerial operations, and after having duly advised the Civil Aviation Department, the overflight of U.S. military planes was authorized for 29 July in specific areas of the country to carry out photography, aerial reconnaissance, and technical intelligence missions.

Those flights, scheduled by request of the Armed Forces General Command, and under strict Air Force control, seek to help gather very important information for the struggle against international drug trafficking and in no way violate national sovereignty.

[Signed] Manuel Jaime Forero Quinonez, commander of the Colombian Air Force.

Sanin on Kidnapping, Extradition Rumors

PA2907141492 Santa Fe de Bogota Emisoras
Caracol Network in Spanish 1316 GMT 29 Jul 92

[Text] Foreign Minister Noemi Sanin Posada has just arrived in Colombia. Here is Manuel Salazar with a report:

[Salazar] The foreign minister has said she does not yet have any information on what is taking place in Medellin, but she added that the Colombian Government will not permit the kidnapping of any Colombian citizen because the Constitution prohibits extradition. This is what she told journalists when she arrived at Eldorado airport:

[Begin recording] [Sanin] I do not have any information. I will speak with the president to request information on this subject.

[Unidentified reporter] Is this an unusual situation? Is this the first time that U.S. planes have participated in a public order operation in Colombia?

[Sanin] This depends on what the airplanes are doing. I cannot give an opinion because I do not have information, but Colombians can be sure that the Colombian Government will defend our country's sovereignty. I am sure that no action that goes against our sovereignty is being carried out.

[Reporter] [Words indistinct] for example, Colombia will not permit the kidnapping of Pablo Escobar?

[Sanin] Colombia will not permit any kidnapping.

[Reporter] But Madam Minister, does the way in which events are developing not lead to such a situation?

[Sanin] I do not have this information. Once I receive reports, I will speak to you. But you can be absolutely sure that we have a president and a government that watches over and defends national sovereignty.

[Reporter] Is it normal for the United States to cooperate in the search for Pablo Escobar but not take him out of the country?

[Sanin] We do not have an extradition treaty. It is prohibited by the Constitution. We believe in Colombian justice and the submission of criminals to that justice [words indistinct]. We have to try them in our country. We do not want any type of arrests outside the law [words indistinct].

[Reporter] But is the presence of U.S. planes, specifically of the DEA and of U.S. agents, authorized by the Colombian Government?

[Sanin] As I have told you, I have just arrived after a 13-hour flight. I am grateful for your reports, but I want to obtain detailed information, as is my duty.

[Reporter] But have similar operations been carried out before?

[Sanin] Air operations have been carried out on some occasions, but they had nothing to do with sovereignty or the capture of Colombians. I am sure these new ones also have nothing to do with that. I am talking without getting information that will allow me to be briefed on this. [end recording]

Senate President Discusses Escape Investigation

PA2807155092 Santa Fe de Bogota Inravision
Television Cadena 1 in Spanish 1630 GMT 27 Jul 92

[Report by Adriana Ayala]

[Text] Senate President Jose Blackburn said that Congress will only serve as witness but not as mediator to Pablo Escobar Gaviria's surrender. Blackburn said that neither the government nor Congress can accept Pablo Escobar Gaviria's demands.

[Begin Blackburn recording] I will be watching to see under what terms Mr. Escobar Gaviria surrenders. If I see this is going to further ridicule us before the international community and is not serious I may even refuse to take part. [end recording]

Regarding the investigation of who is responsible for Escobar's escape, the Senate president said that Congress

and public opinion must learn why the military operation failed and to what degree the government is responsible. A plenary debate will allow each political force to point out those at fault. Nevertheless, it was learned that to begin a trial against those responsible, someone first has to lodge a penal lawsuit at the Congress' accusation commission. Those involved may be summoned to testify by any of the commissions that may be appointed by the Senate. An ad hoc commission will be appointed to discuss the topic.

[Begin Blackburn recording] I believe some persons within the government are very much to blame, like those connected with managing the prisons. The military operation was a complete failure and there are many doubts as to how this operation was carried out. [end recording]

Defense Minister on Chamber of Deputies Debate

PA2907010392 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 2300 GMT 28 Jul 92

[Report by Raul Gutierrez from the Capitol—live]

[Text] [Gutierrez] I am here with Defense Minister Rafael Pardo. Mr. Minister, everyone in the country is asking if you will resign in light of the events that will be debated at the Chamber of Deputies and the Senate on 29 July.

[Pardo] We have presented all the information about the events that took place on 21 and 22 July in Envigado—as well as the preceding events—to the Congressional leadership and on 29 July we will do the same before the plenary

session of the Senate and the Chamber of Deputies. The Congress, which has the authority to analyze the behavior of the officials, may then fully evaluate the facts.

[Gutierrez] Are you afraid that you and the government will get blamed during those debates?

[Pardo] I believe the important thing for the government is to present the facts clearly about how the decisions were made, how they were implemented, what problems surfaced, what flaws they had, and that there is complete and absolute clarity regarding the facts. The Senators and Representatives will make the judgments.

[Gutierrez] Why did the deputy justice minister fall?

[Pardo] This information is his business and I believe that it is he who should report on this affair.

[Gutierrez] There will always be a search for the answer to why Escobar fled. Did he plan the operation that ended with his escape from the jail or was it a coincidence as a consequence of the failure of the military operation?

[Pardo] I believe we cannot answer that question with the facts we know now. There is a military criminal investigation under way of the escape of the prisoners. From the results of that investigation, we will be able to know more about the escape of Escobar and the other nine persons who escaped with him.

[Gutierrez] Do you expect Escobar to return or will you recapture him?

[Pardo] The authorities have the duty to try to recapture him and that is what they are trying to do.